



UNLOCKING **SUSTAINABILITY**

2024 Annual and Sustainability Report

About the Report 2-2, 2-3

“Unlocking Sustainability” is Semirara Mining and Power Corporation’s (SMPC) 2024 Annual and Sustainability Report (ASR). This dual-purpose report offers our shareholders a thorough overview of both our financial and non-financial performance, providing a balanced perspective on how we continue to create value for our stakeholders.

Through this publication, we aim to share the progress of SMPC’s sustainability journey, while reinforcing our ongoing commitment to transparency, accountability, and responsible business practices.

This report is prepared referencing the Global Reporting Initiative (GRI) Standards for the period January 1 to December 31, 2024, and the Philippine Securities and Exchange Commission (SEC) Sustainability Reporting Guidelines for Publicly-listed Companies. It covers all data and related information for SMPC and its subsidiaries, Sem-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC).



About the Cover

The cover design captures SMPC's commitment to responsible growth. The segmented dial and keyhole symbolize the steps we are taking to unlock new opportunities for sustainable progress. The photo display highlights our diverse sustainability initiatives, showcasing our employees, operations, environmental stewardship efforts, and sustainable development programs. This design reflects our holistic approach to sustainability, and our ongoing journey to create lasting value for the nation and the communities we serve.



**UNLOCKING
SUSTAINABILITY**
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Inspirational Trailblazers

SMPC Chairman Isidro Consunji awarded University of the Philippines Alumni Association Most Distinguished Alumnus Award



DMCI Holdings and SMPC Chairman Isidro A. Consunji received the University of the Philippines Alumni Association (UPAA) Most Distinguished Alumnus Award.

The award is reserved for individuals who excel in their respective fields and have brought honor and distinction to the University and the country. Consunji (BSCE '71) led this year's roster as the sole winner of the UPAA Most Distinguished Alumnus Award for his

strategic and outstanding leadership in steering a business conglomerate engaged in the critical industries of housing, water services, and power. His breakthroughs extend beyond turning once-distressed companies like SMPC into productive ventures, to generating employment and essential products and services that contribute to national development and uplifting millions of Filipinos' lives.

SMPC President, COO, and CSO Maria Cristina Gotianun receives 2024 Distinguished Alumna Award for Corporate Management Excellence



SMPC President, Chief Operating Officer, and Chief Sustainability Officer Maria Cristina C. Gotianun was awarded the 2024 Distinguished Alumna Award for Corporate Management Excellence by the University of the Philippines Alumni Association for her outstanding contributions to advancing environmental, social, and good governance achievements in the mining and power industries.

Since stepping into the roles of President and COO in April 2019, Gotianun has been a driving force in SMPC's operational success. As a Chief Sustainability Officer, Gotianun has championed gender equity, climate justice, and social equity. She broke new ground as the first female president of SMPC and remains the only woman leading a listed mining company in the country. Gotianun is also the first and only female president of a major power generation company in the Philippines.

Table of Contents

About the Report	02
About the Cover	03
Inspirational Trailblazers	04
About Semirara Mining and Power Corporation	06
2024 in Review	10
Business Highlights	11
Sustainability Highlights	12
Awards and Recognition	13
Leadership Messages	15
Achieving Business Value	20
Our Sustainability Approach	30
Our Contribution to the United Nations Sustainable Development Goals (UN SDGs)	33
Fostering Growth and Prosperity	34
Driving Nature-Climate Stewardship	38
Empowering People and Inclusivity	73
Building Resilience Through Risk Management	104
Promoting Governance and Accountability	111
Our Leadership	124
Financial Statements	132
GRI Content Index	141

About Semirara Mining and Power Corporation

2-1, 2-6

Founded in 1980, Semirara Mining and Power Corporation (SMPC), formerly Semirara Coal Corporation (SCC), is the largest coal producer in the Philippines, accounting for 97% of the country's coal production. We are also the only power producer that owns and mines our own fuel source.

Our coal is classified as sub-bituminous-B for use in a wide range of combustion facilities. We supply coal to local power plants, cement plants, paper mills, textile dyeing plants, canneries, and food factories.

Our wholly-owned subsidiaries — Sem-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC)— provide baseload power to the national grid. We have an installed capacity of 900MW, with 700MW more in the pipeline.

Our shares are listed and traded on the Philippine Stock Exchange under the symbol "SCC" as part of the Electricity, Power and Water subsector of the Industrial Sector.



History



1980
Semirara Coal Corporation (SCC) was incorporated



1988
SCC begins commercial operations



1997
DMCI Holdings Inc. (DMCI-HI), acquires a 40% interest in SCC's common shares



1998
DMCI-HI raises its total interest in SMPC to 74%, gaining controlling interest



1999
DMCI-HI appoints new management and SCC renames to Semirara Mining Corporation (SMC)



2008
DOE approval of SMC's COC extension request for another 15 years or until July 14, 2027



2009
DMCI-HI acquires the 600 MW coal plant from the National Power Corporation (NPC) and transfers rights to SMPC



2014
SMC changes its name to Semirara Mining and Power Corporation (SMPC) after its successful bid of the 600 MW Calaca power plant



2016
Beginning of commercial operations of SLPGC's 2x150MW CFB coal-fired power plants



2017
Granting of Sem-Calaca RES Corporation's ERC license to operate



2024
SMPC completes 11.13% acquisition of Cemex Asian South East Corp. (CASEC)

Who We Are



Vision

Semirara Mining and Power Corporation is a reliable, responsible, vertically integrated energy enterprise contributing towards inclusive growth.



Mission

- To operate in all sites responsibly and efficiently
- To empower host communities, contributing to their sustainability
- To nurture and uphold environmental stewardship
- To ensure equitable returns to all stakeholders



Corporate Objectives

- Business Sustainability
- Value Maximization



Core Values

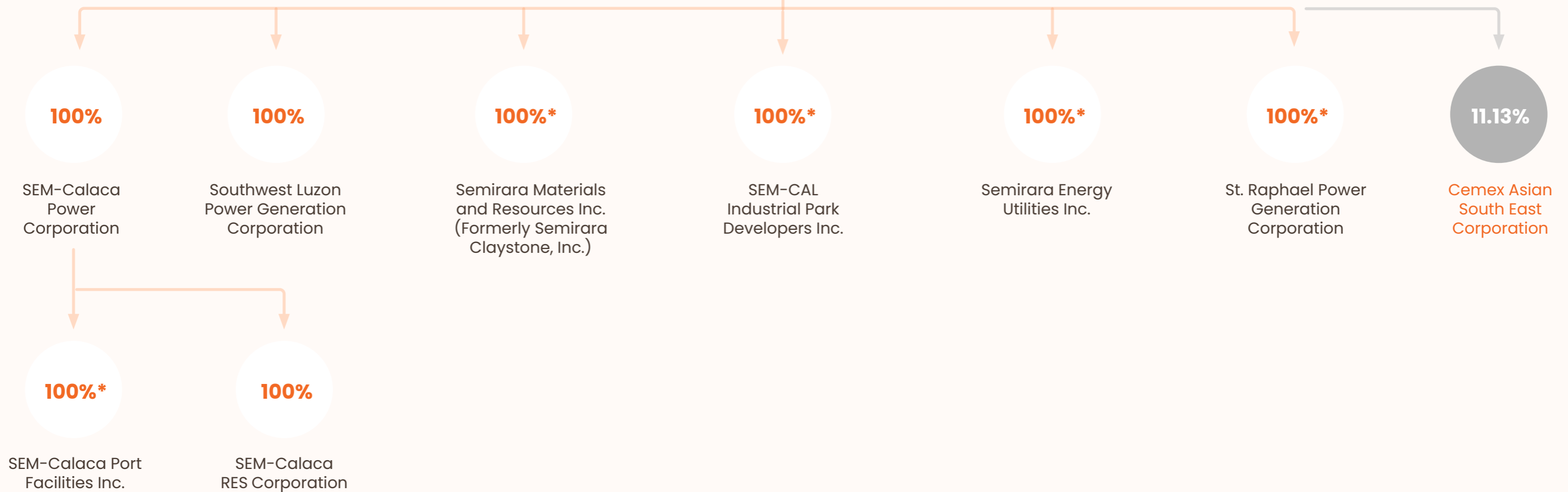
- **Commitment**
We are highly focused on realizing our mission without compromising the environment, safety, and health of our stakeholders.
- **Excellence**
We set high standards for ourselves and for our Company, and then strive to consistently exceed them.
- **Professionalism**
We use our skills, competence, and character to deliver value to our stakeholders.
- **Teamwork**
We work together and support each other to achieve our shared goals.
- **Integrity**
We act in a fair, honest, ethical, and responsible manner.
- **Loyalty**
We put a premium on personal commitment over self-interest.



Business Structure



56.65%



*Non-operating entities ● Subsidiary ● Associate

Business Footprint

Semirara Island, Antique Province

SMPC conducts surface open-cut mining operations in Semirara Island, which is part of the municipality of Caluya in the province of Antique. The island was officially declared a coal mining reservation site in 1940 by then President Manuel L. Quezon.

The move was made to secure affordable energy and reduce the country's reliance on fuel imports. Former President Ferdinand E. Marcos, Sr. issued Presidential Decree No. 972, also known as the "Coal Development Act of 1976," designating Semirara Island as a coal region. This allowed for the issuance of Coal Operating Contracts (COCs) in Semirara Island to SMPC, with its COC expiring on July 14, 2027.

Calaca City, Batangas

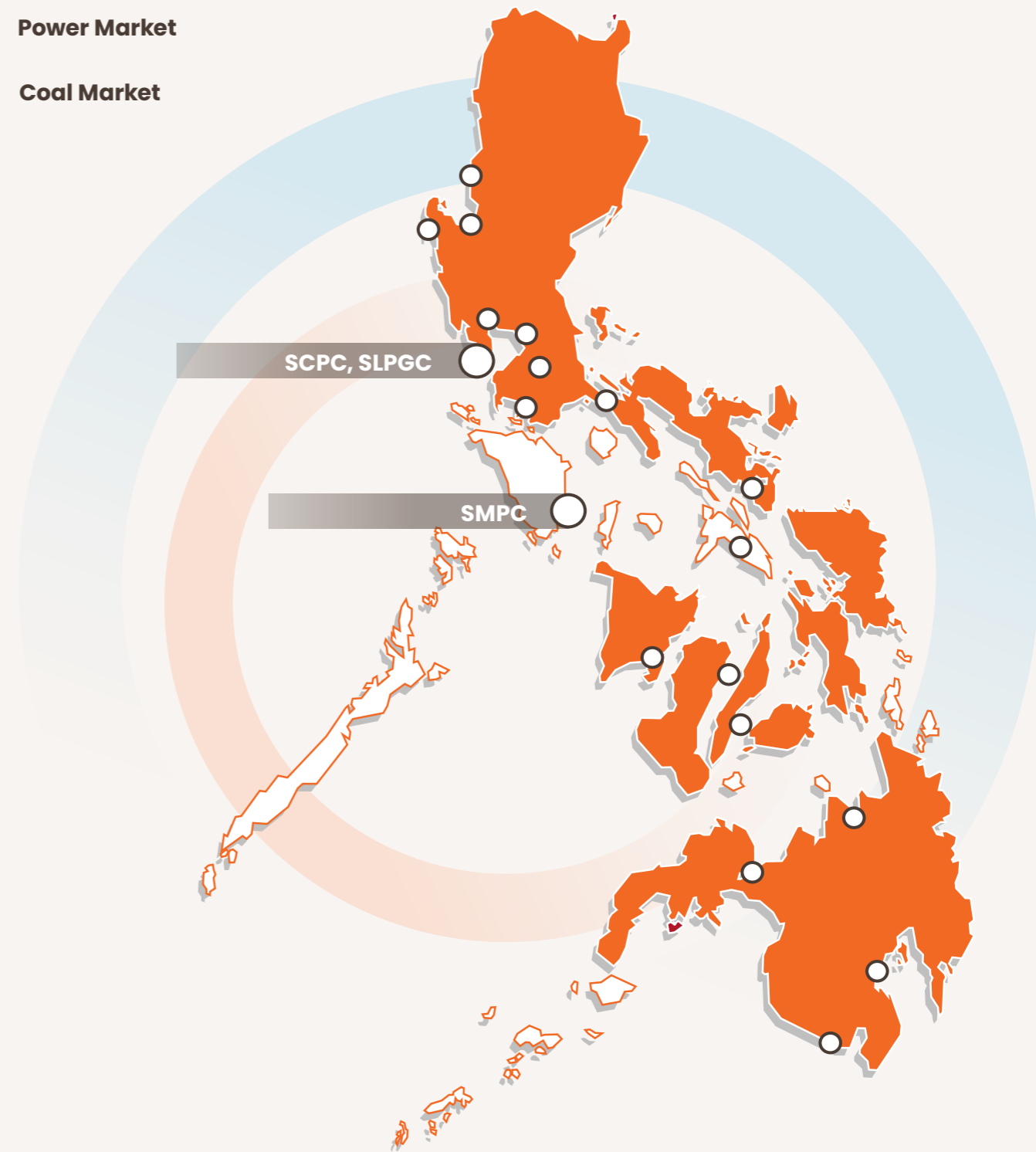
Calaca is home to SMPC's wholly-owned subsidiaries, Sem-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC).

It is located in the northwestern part of Batangas Province, around 117 kilometers south of Manila, and 41 kilometers from the provincial capital of Batangas City. Major economic activities in Calaca include agriculture, service manufacturing, tourism, and cottage industries. Our subsidiaries, SCPC and SLPGC, operate two 300 MW and two 150 MW coal-fired power plants, respectively.



Market Presence

- Power Market
- Coal Market





2024 in Review

Business Highlights



Php 19.6B
Net Income

Php 65.2B
Revenue

Php 25.5B
Dividend Payments

Php 4.62
Earnings per Share

Coal



Php 47.1B
Coal Revenues

16.0 MMT
Coal Production

Php 2,853/MT
Average Selling Price

16.5 MMT
Shipments

Power



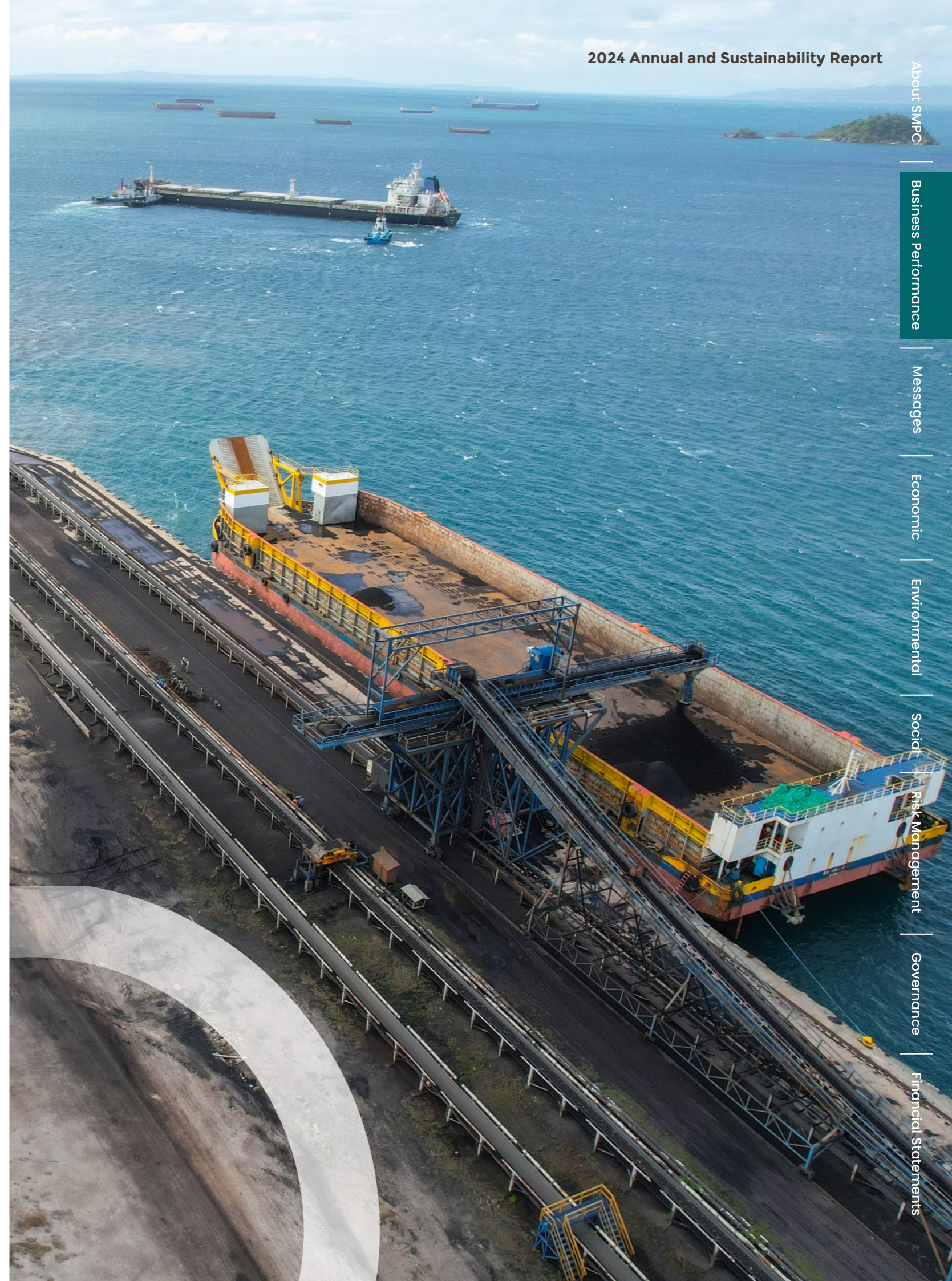
Php 23.5B
Power Revenues

764 MW
Average Capacity

Php 4.75/KWh
Average Selling Price

5,358 GWh
Gross Generation

Read more about our business performance on pages 20 to 29



Sustainability Highlights

Fostering Shared Growth and Prosperity



Php **9.6B**
Government Payments



Php **28.2B**
Goods and Services Spend



Php **3.6B**
Wages and Benefits



Php **26M**
Environmental and Community Spend

See pages 34 to 37 for our economic performance

Empowering People and Inclusivity



Jobs Generated
4.9K
Employees



Social Programs
21.8K
Impact Beneficiaries



Local Hires
62%
From Host Communities



Training
109
Average Training Hours per Employee



Read about our investment in people on pages 73 to 103

Driving Nature-Climate Stewardship

Green Carbon Offset
2.2M
Surviving Trees Planted to Date

Blue Carbon Offset
623K
Surviving Mangroves Planted to Date



Biodiversity Conservation
1.6K
Hectares of Habitats Protected and Restored

Biodiversity Offset
191K
Giant Clams Propagated to Date

Learn more about our environmental initiatives on pages 38 to 72

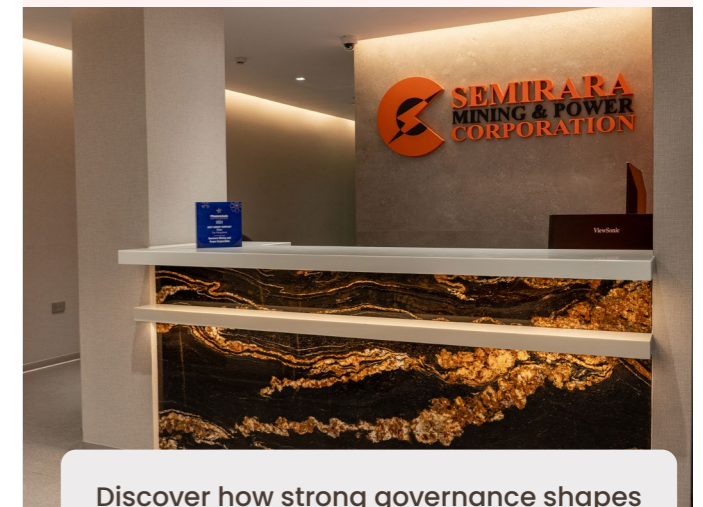
Promoting Governance and Accountability

Good Governance
100.8
ASEAN Corporate Governance Scorecard Run

Board Diversity
27%
Female Directors

Ethics and Conduct
100%
Employees Trained

Shareholder Welfare
100%
Proportional Voting Rights



Discover how strong governance shapes our strategy—see pages 111 to 123

Awards and Recognition



14TH INSTITUTIONAL INVESTOR CORPORATE AWARDS

- Most Organised Investor Relations (4th Place)
- Best Senior Management Investor Relations Support (4th Place)
- Most Consistent Dividend Policy (3rd Place)
- Most Improved Investor Relations (Sole Winner)



ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS) GOLDEN ARROW AWARDS

- 3 Golden Arrow Award



20TH PHILIPPINE QUILL AWARDS

- Excellence Award for Community Relations Category (Community Management Division)
- Award of Merit for Social Media Programs Category (Communication Skills Division)

19TH EMPLOYER BRANDING AWARDS

- Philippines Best Employer Brand Award



Awards and Recognition



TANGHAL AT PARANGAL CITY OF CALACA

2024 Top Taxpayer Award, Sem-Calaca Power Corporation and Southwest Luzon Power Generation Corporation



PROVINCE OF BATANGAS CONVOCAION OF PARTNERS

TESDA Outstanding Partner Award, Sem-Calaca Power Corporation and Southwest Luzon Power Generation Corporation

INDICES Philippine Stock Exchange (PSE)

- PSE Index (PSEI)
- Dividend Yield Index

Message from the Chairman and CEO

2-22

“ At SMPC, we are dedicated to creating lasting value while unlocking sustainability at every level of our business. ”

This commitment is anchored on transparency, accountability, and the integration of Environmental, Social, and Governance (ESG) practices.

In 2024, we remained focused on responsibly and sustainably generating value for our stakeholders. This report highlights the actions we've taken, and the tangible results achieved to drive long-term growth and meaningful progress.

Resilient Amid Volatility

2024 presented several market challenges, including reduced selling prices for both coal and electricity, along with continued normalization in global energy markets. This resulted in a decrease in our total revenues by 15%, from Php 76.96 billion to Php 65.19 billion. However, we were able to partially mitigate the impact through strategic adjustments and higher sales volumes.

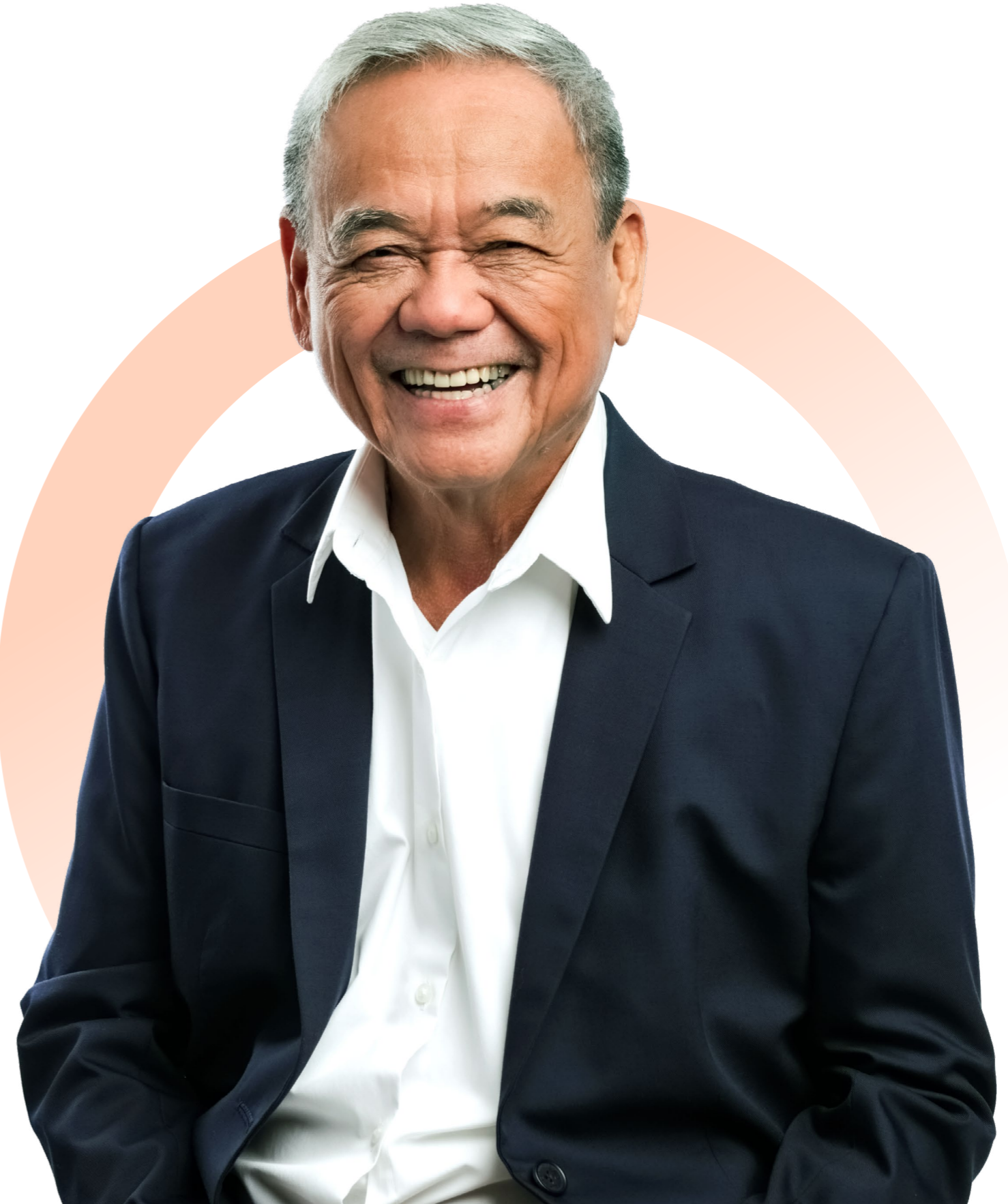
Consequently, our net income dropped by 30%, from Php 27.93 billion to Php 19.63 billion. Despite this decline, our net income remains 21% higher than the Php 16.20 billion reported prior to the global energy crisis in 2021 and more than double (103%) the pre-pandemic level of Php 9.68 billion in 2019.

While earnings per share fell from Php 6.57 to Php 4.62, we still posted an outstanding return on equity of 33%—the highest among listed energy peers in the Philippines.

The coal segment delivered an exceptional performance in 2024, achieving a record-breaking 16.5 million metric tons (MMT) in shipments, a 4% increase from the previous year. This remarkable growth was driven by robust demand from key markets, including China, as well as our own power plants and cement facilities. Our coal segment accounted for 57% of our total net income, underscoring its vital contribution to our overall financial strength.

The power business also demonstrated impressive growth, contributing 43% of total net income, an 8% uptick from 2023. This achievement was driven by a record-high gross generation of 5,358 GWh, marking a 10% rise from the previous year. Despite a 4% dip in revenues, from Php 24.40 billion to Php 23.49 billion, it delivered its second-highest revenues since we entered the power business in 2009, as well as the second-best net income of Php 5.81 billion in 2024.

In line with our goal to create sustainable value, SMPC continued to prioritize shareholder returns in 2024. Total dividend payments amounted to Php 6.00 per share or Php 25.50 billion. This translates to an



impressive payout ratio of 91%, well above our policy of distributing at least 20% of the previous year's reported net income. With a volume-weighted average price of Php 32.82 per share, our dividend yield stood at 18.3%, the highest among Philippine index stocks.

ESG Impact and Recognitions

We are proud to report that our host municipality, Caluya, Antique, topped the list of the wealthiest municipalities in the Philippines in 2023, according to the Commission on Audit's report. This achievement is a testament to the positive economic impact of our operations and our dedication to driving long-term, sustainable growth.

Our efforts were also recognized in the wider business community. In 2024, SMPC was honored with four awards at the 14th Institutional Investor Corporate Awards, based on a poll of over 500 investors and analysts across Southeast Asia, the United States, and Europe. We were recognized for having the Most Organized Investor Relations, Best Senior Management Investor Relations Support, Most Consistent Dividend Policy, and Most Improved Investor Relations.

Furthermore, SMPC received a 3 Golden Arrow award at the ASEAN Corporate Governance Scorecard Golden Arrow Awards,

a recognition we have consistently received since 2019, reflecting our ongoing commitment to best practices in corporate governance.

Strategic Developments and Growth Prospects

While 2024 posed obstacles, I am confident that we are well-positioned to capitalize on future opportunities. We anticipate that our 11.13% stake in Cemex Asian South East Corporation (CASEC), acquired in December 2024, will create valuable synergies that will enhance both our coal and power businesses. Our exploration activities at the Acacia mine are ongoing to ensure the long-term sustainability of our mining operations. Management is also focused on enhancing operational efficiency and maintaining a competitive edge by contracting approximately 50% of our power segment's net selling capacity (756 MW) in 2025.

The hurdles we faced in 2024 have only reinforced our determination to adapt and thrive. Looking ahead, we are positive in our ability to continue unlocking greater value for our stakeholders.

Thank you for your continued trust and support. Together, we will drive meaningful change and build a brighter, more sustainable future.



ISIDRO A. CONSUNJI
Chairman of the Board
and Chief Executive Officer



Message from the President, COO and CSO 2-22



“ As we reflect on another year of growth and accomplishments, we remain steadfast in our commitment to driving sustainable progress for our company, our host communities, and the nation. ”

Our vertically integrated business model continues to be the foundation of our success. By combining efficient coal mining operations, reliable power generation, and responsible business practices, we were able to deliver strong business results and contribute to addressing the country’s energy needs despite a challenging 2024 market landscape.

Unlocking New Milestones Through Operational Efficiency

Our coal business set a new record this year with shipments totaling 16.5 million metric tons (MMT), surpassing the previous year’s high of 15.8 MMT. Additionally, we achieved a third consecutive year of record production, reaching 16 MMT under our current Environmental Compliance Certificate (ECC). This accomplishment highlights our team’s steadfast commitment to meet the growing energy needs.

51% or 8.5 MMT of our coal production was exported, while 49% or 8.0 MMT served local markets. Notably, shipments to our own power plants grew by 14% from 3.6 MMT to 4.1 MMT, reflecting increased demand, while shipments to cement plants saw an impressive 117% surge from 0.6 MMT to 1.3 MMT.

Although coal prices returned to more normalized levels in 2024, with the average selling price (ASP) dropping by 25% from Php 3,796 per MT to Php 2,853 per MT, our strategic coal blending has been essential in optimizing revenue generation. With a limited supply of high-grade coal and the need to diversify markets, we continued to leverage our blending expertise to maximize efficiency and meet customer needs.

On the power segment, 2024 marks a significant breakthrough—15 years since the acquisition of our Calaca power plants from the National Power Corporation in 2009. At that time, the plants were operating at less than 60% of their rated capacity. However, through years of strategic investment, we have transformed them into a reliable source of baseload energy.

This year, we reached a major milestone following the successful rewind of SCPC Unit 2 generator, restoring its full capacity of 300 MW from 170MW, effective May 27, 2024. As a result, we set a new record for gross power generation, reaching 5,358 GWh—the highest output in seven years.

Our total average capacity also grew by 14%, reaching 764 MW in 2024 versus 672 MW in 2023, which helped us navigate unfavorable market conditions. Sales to bilateral contracts (BCQ) rose by 46% from 1,439 GWh to 2,097 GWh, fueled by expanded capacity and higher contracted volumes.

Anticipating that spot prices will inevitably dip as supply outpaced demand, our power business strategically pivoted to contracted sales in 2024 to minimize spot market exposure.

This resulted in a 7% decline in power sold to the spot market from 3,076 GWh to 2,848 GWh, while contracted capacity increased by 6% from 238.2 MW in 2023 to 251.9 MW.

Advancing Energy Efficiency and Climate Resilience

In line with our commitment to sustainable operations, we implemented several energy-saving projects, such as the installation of Low Vacuum Economizer (LVEs) in our plant units for better heat absorption, using micro-oil burners to reduce startup fuel, and modifying our coal feeding system to better handle wet coal. These energy efficiency initiatives across our coal and power operations have resulted in about Php 248 million in savings, more than 76,000 MWh in annual energy savings, and a reduction of over 98,000 tons in our carbon footprint.

As part of our environmental stewardship efforts, we have taken significant steps to strengthen climate resilience. We partnered with a leading organization specializing in climate change and sustainability services to develop strategies for managing long-term climate risks. We also implemented AI-driven methodologies to improve our terrestrial and marine carbon sequestration processes, which is expected to further advance our sustainability efforts in the near term.

Empowering Communities, Enhancing Inclusivity

Beyond our operational success, we continue to focus on empowering local communities through our extensive sustainable development programs, which benefited about 22,000 people in 2024. We continued to offer non-mining livelihood opportunities, such as agro and poultry farming, concrete

hollow block-making, dressmaking, and seaweed chips production, helping residents build a more resilient and food-secure future.

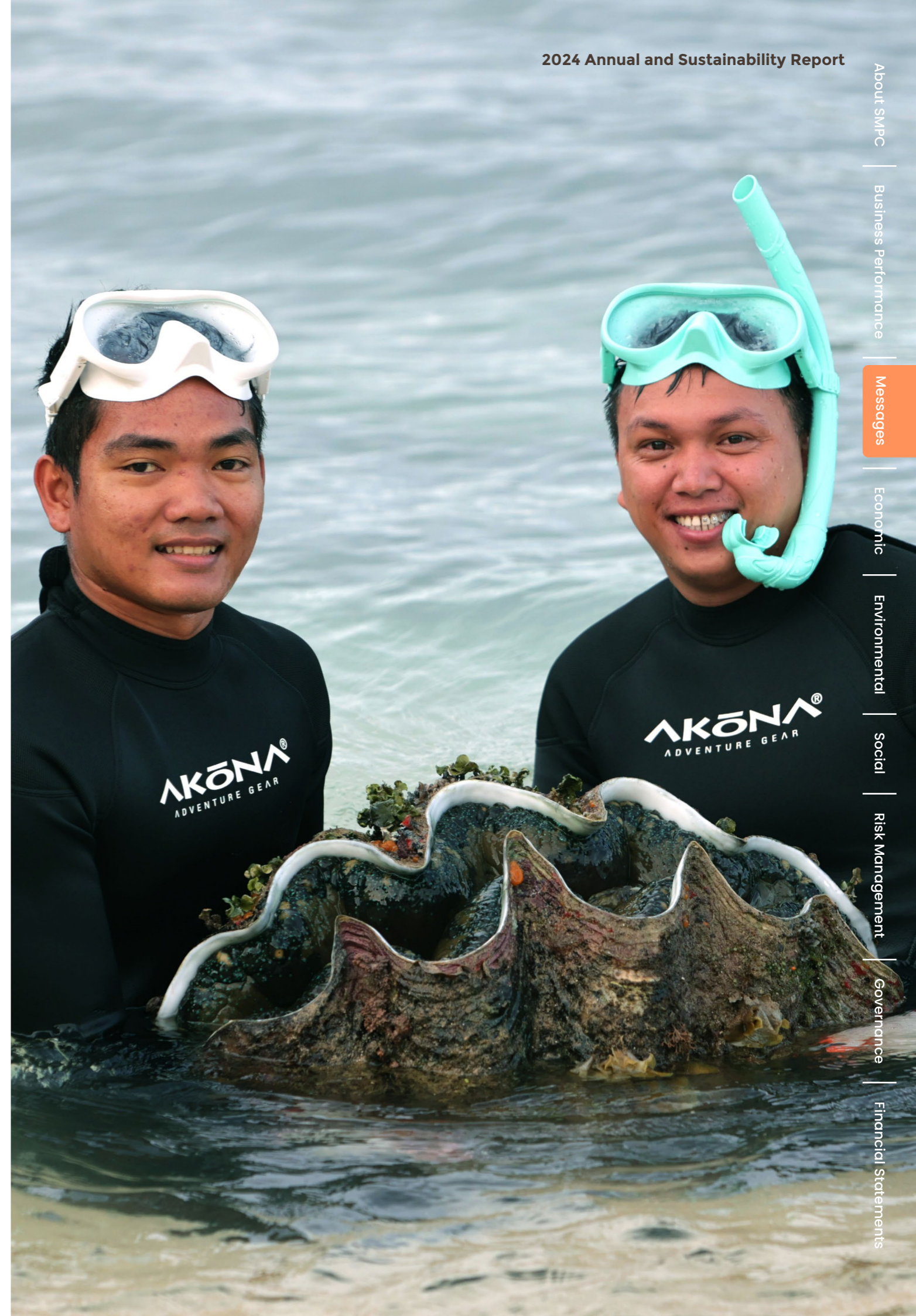
We also prioritize inclusivity by supporting educational opportunities in Semirara Island. In 2024, SMPC’s Divine Word School of Semirara Island Inc. (DWSSII) began offering blended tertiary education, making higher education more accessible to local youth. Our Semirara Training Center, Inc. (STCI), accredited by the Technical Education and Skills Development Authority (TESDA) as a training and assessment center, saw 152 new graduates, contributing to the development of a skilled workforce that will support both our operations and the community. Additionally, our DOH-licensed SMPC Infirmary in Semirara Island received PhilHealth accreditation in 2024, providing vital healthcare benefits to our community.

As we continue to navigate a dynamic energy landscape, we remain focused on achieving operational excellence, driving sustainable development, and making meaningful contributions to the communities we serve.

Together, we will move forward, creating lasting value for all our stakeholders.



MARIA CRISTINA C. GOTIANUN
President, Chief Operating Officer
and Chief Sustainability Officer



Message from the CFO

“ 2024 was a year of recalibration for SMPC, as energy markets continued to normalize following the historic highs of the past years. ”

While our financial performance moderated compared to 2023, we remained focused on operational discipline, cost efficiency, and maintaining a strong financial position that supports our long-term strategy.

We closed the year with a net income of Php19.63 billion, marking a 30% decline from Php27.93 billion last year. This was primarily driven by a 15% contraction in total revenues, from Php76.96 billion to Php65.19 billion, largely due to lower selling prices for both coal and electricity. Despite these headwinds, our vertically integrated model enabled us to temper margin compression and maintain solid fundamentals.

The cash component of cost of sales remained flat at Php26.26 billion, as higher costs associated with increased coal shipments—particularly materials, parts, and contracted services—were offset by improved coal blending, lower generation fuel costs, and reduced replacement power purchases in the power segment. However, operating expenses rose by 12%, from Php4.30 billion to Php4.81 billion, due to higher taxes, insurance premiums, maintenance costs, and office renovations.

As a result, core EBITDA declined by 22% to Php27.75 billion, from Php35.75 billion, with the core EBITDA margin narrowing from 46% to 43%. Correspondingly, net income margin compressed from 36% to 30%, reflecting reduced EBITDA, higher depreciation and amortization, lower other

income, and a marginal increase in tax provisions. Nevertheless, this margin remains consistent with our 2021 performance and well above pre-pandemic levels in 2019, underscoring our ability to deliver healthy returns even in a normalized market environment.

From a liquidity standpoint, our current ratio remained strong at 2.35, only slightly down from 2.38, reflecting a modest decline in cash balances and lower accounts and government share payables. Our net cash position fell by 56%, from Php12.26 billion to Php6.83 billion, following Php36.70 billion in outflows for dividend payments (Php25.50 billion), capital expenditures (Php5.33 billion), debt servicing (Php4.10 billion), and the acquisition of a minority stake in Cemex Holdings Philippines Inc. (Php1.77 billion).

On the funding side, we continued to deleverage, with loans payable declining by 61%, from Php6.73 billion to Php2.64 billion, driven by regular amortization and no new borrowings. As a result, our debt-to-equity ratio improved to 26%, from 36% the previous year. Notably, both SMPC (parent) and SLPGC maintained positive net cash positions, while SCPC transitioned from a net debt to a net cash position, further reinforcing our financial stability.

As we move into 2025, we remain cautiously optimistic. Our strategic priorities are clear: maximize value-driven efficiency, exercise financial prudence, and uphold our commitment to responsible growth. With a solid balance sheet, a resilient business model, and a clear focus on execution, we are well-positioned to navigate market challenges and deliver consistent returns to our stakeholders.

Php 65.2B
Revenues

Php 6.4B
Royalties to Government

Php 6 per share
Cash Dividends per Share



Carla Cristina T. Levina

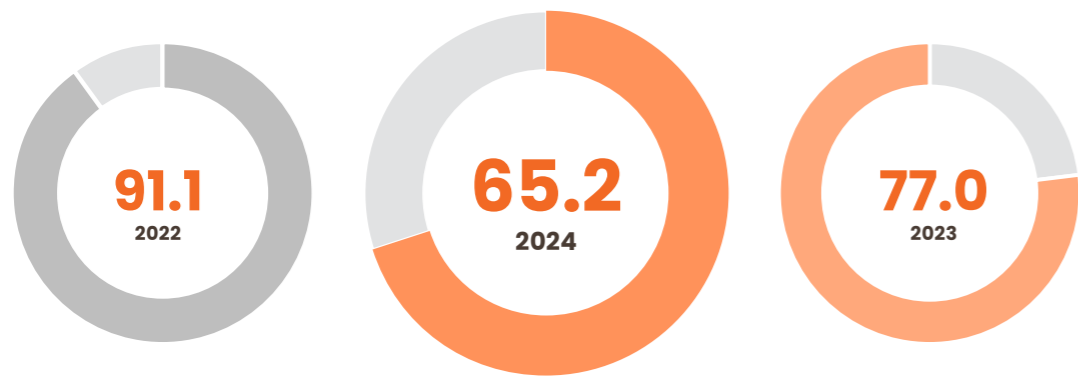
CARLA CRISTINA T. LEVINA
Vice President and
Chief Finance Officer

Achieving Business Value

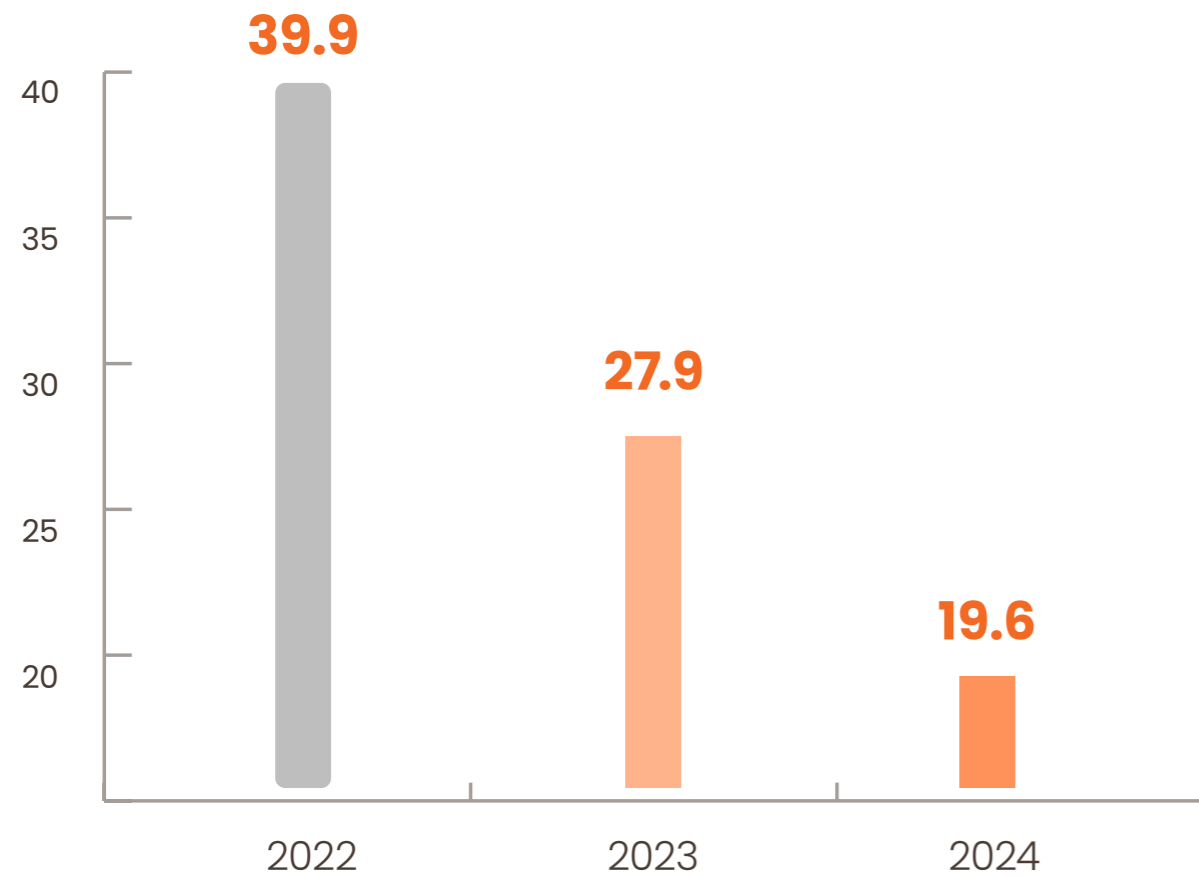


Financial and Operational Performance

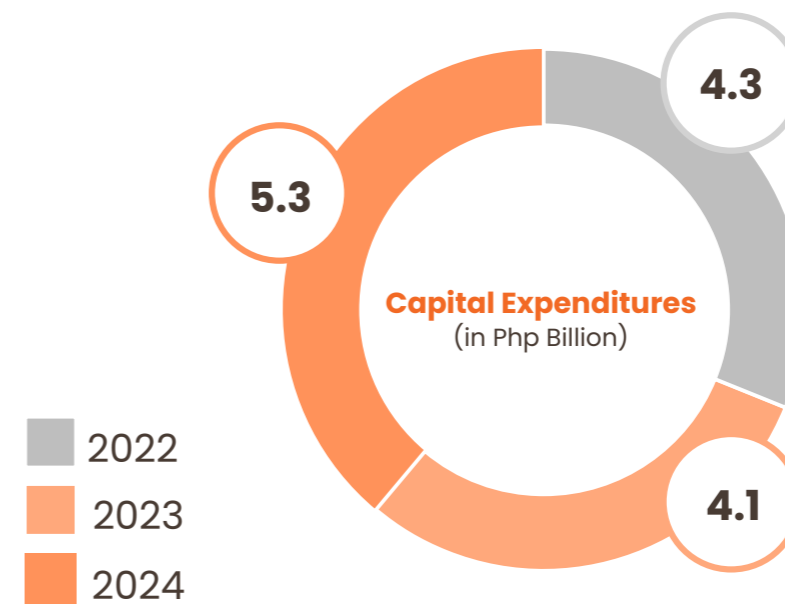
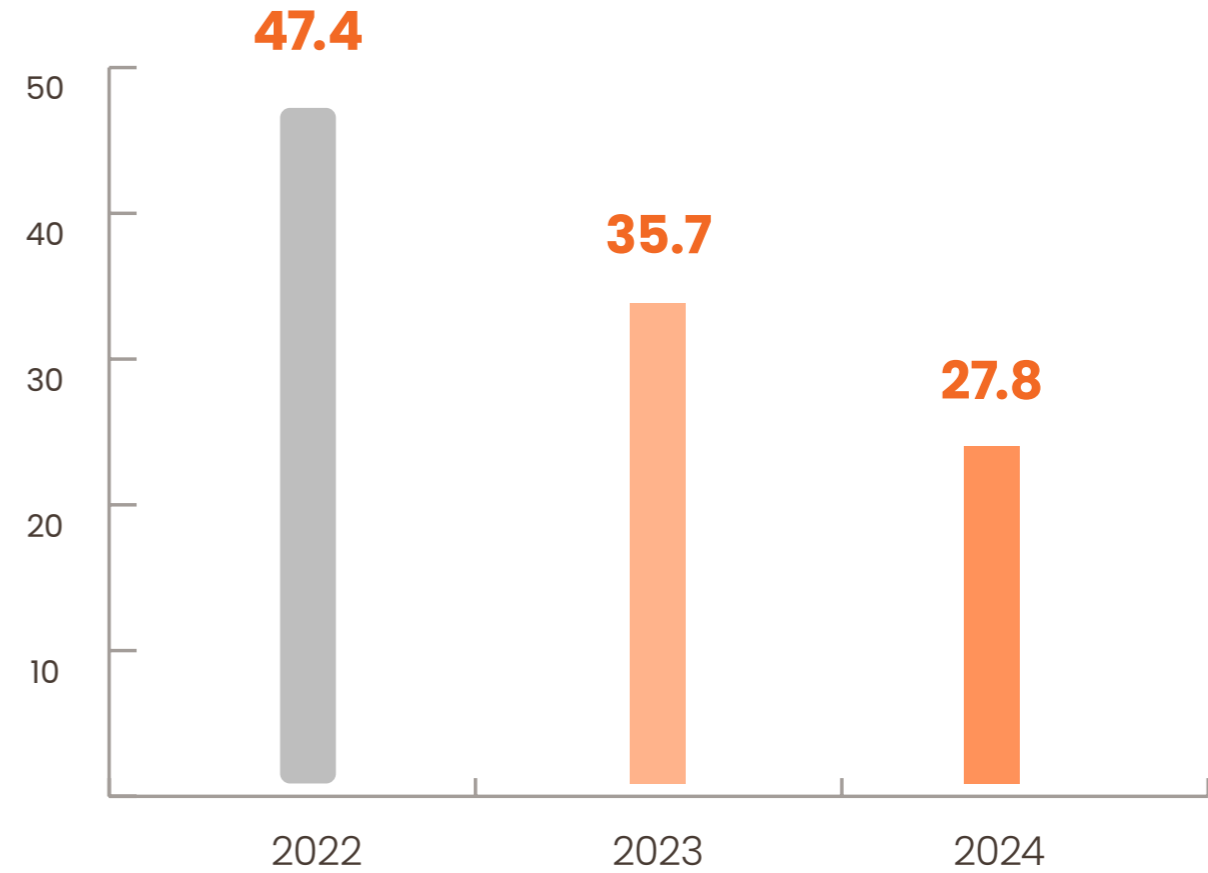
Revenues (in Php Billion)



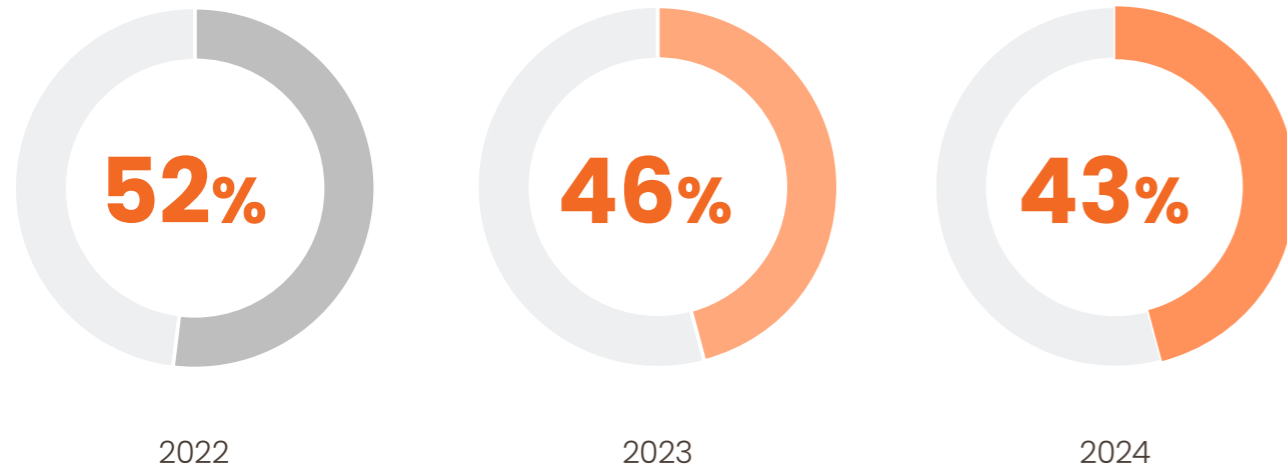
Net Income (in Php Billion)



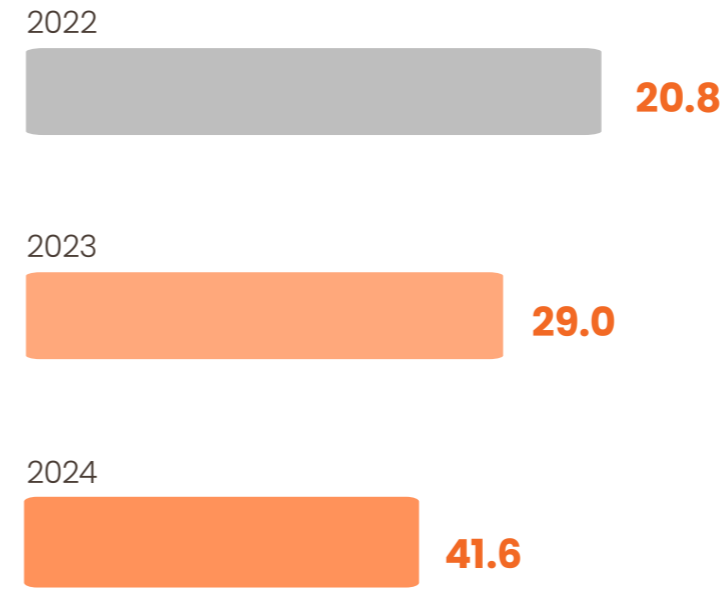
Core EBITDA (in Php Billion)



Core EBITDA Margin (in %)

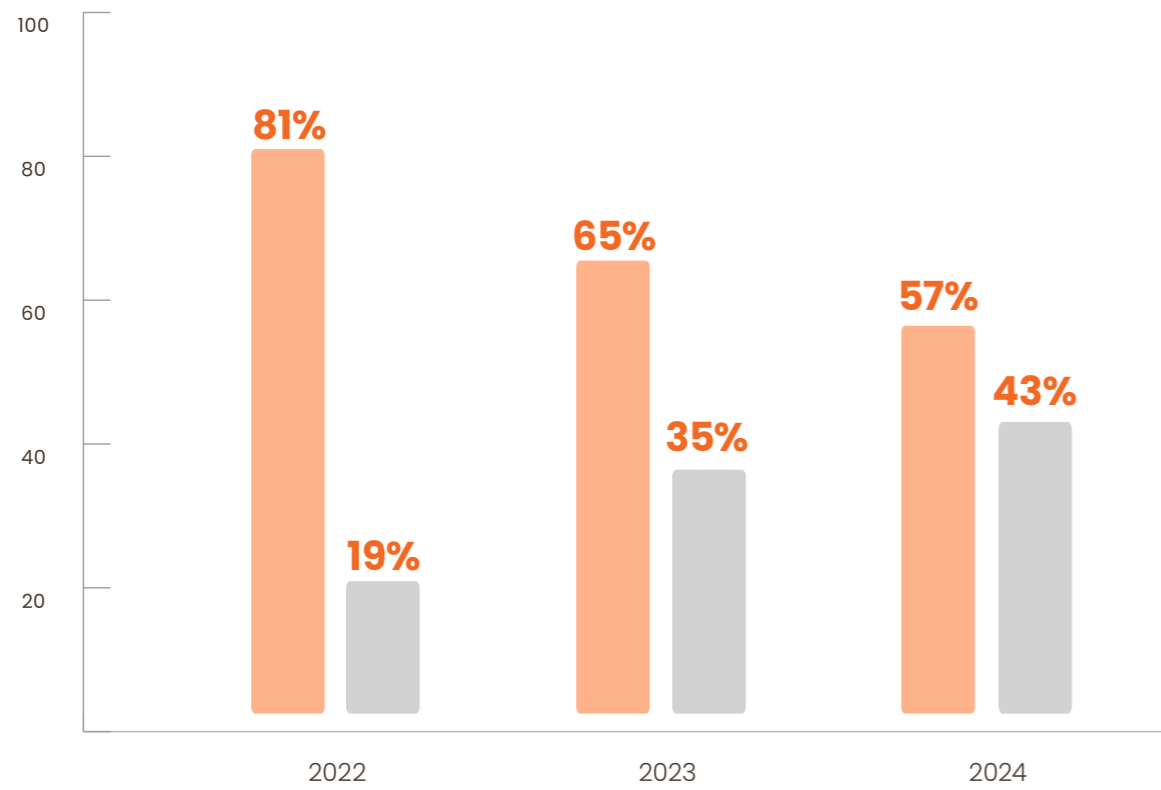


Core EBIT (in Php Billion)



Net Income by Segment (in %)

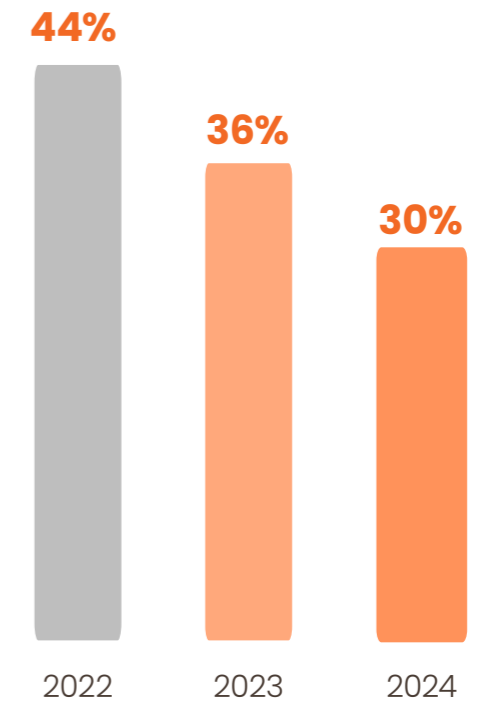
Coal Power



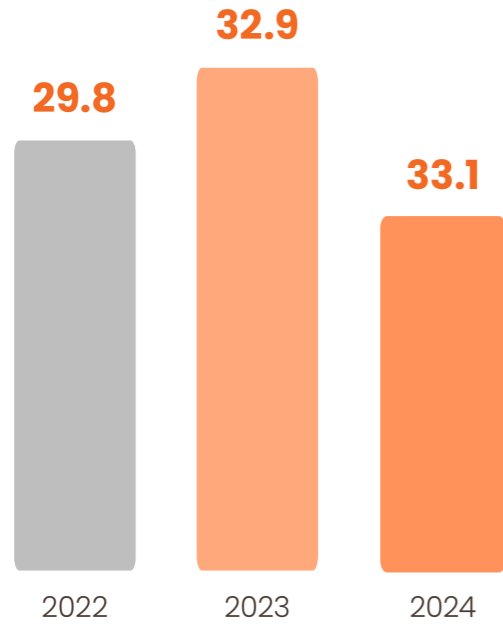
Earnings Per Share (in Php)



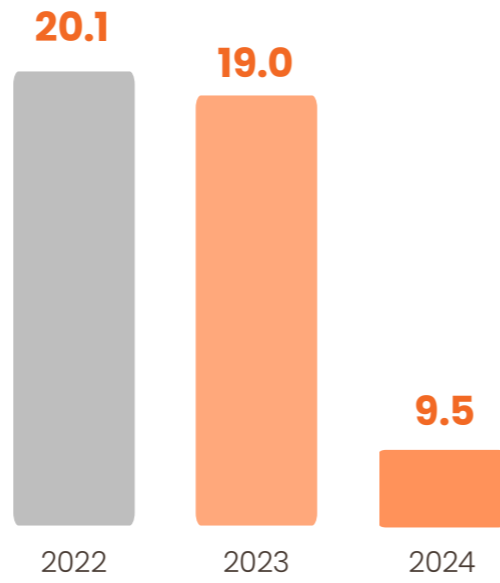
Net Profit Margin (in %)



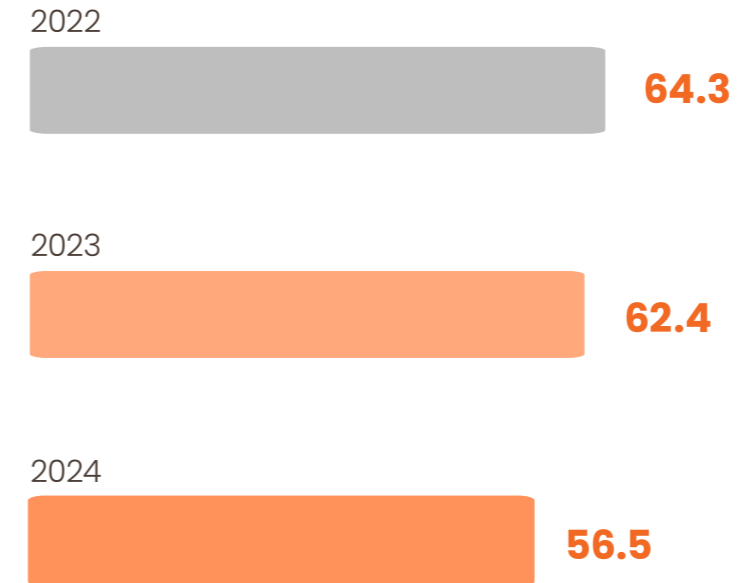
Cost of Sales (in Php Billion)



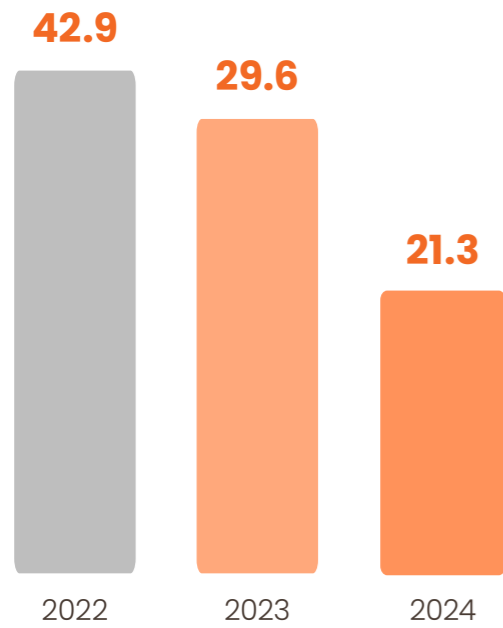
Cash and Cash Equivalents (in Php Billion)



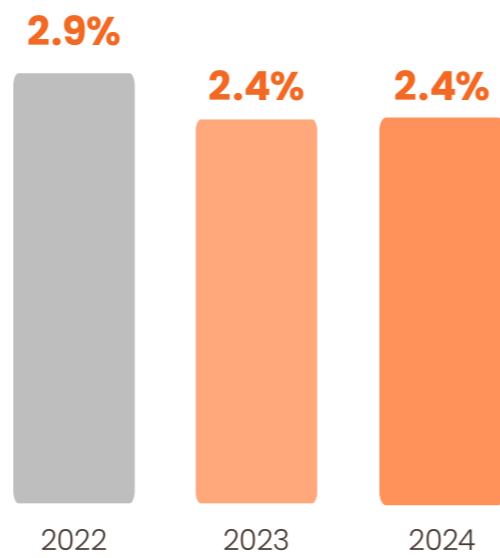
Total Equity (in Php Billion)



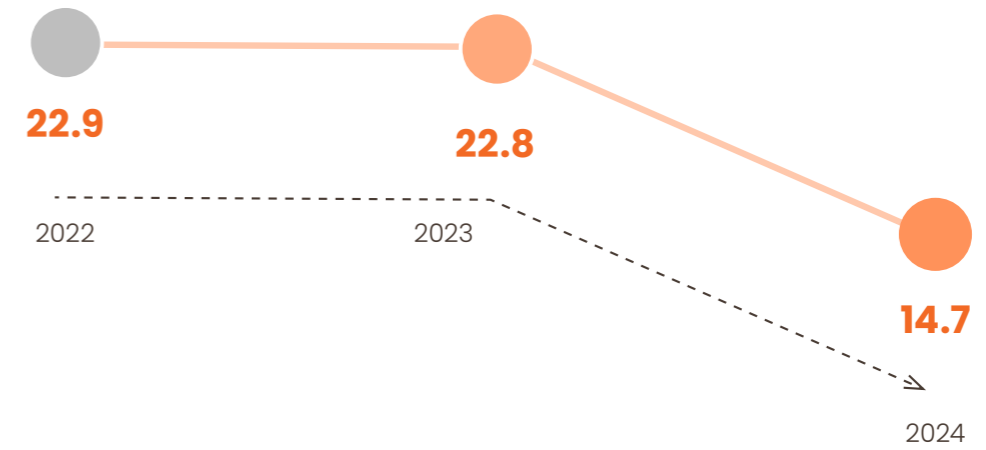
EBIT (in Php Billion)



Current Ratio (in %)



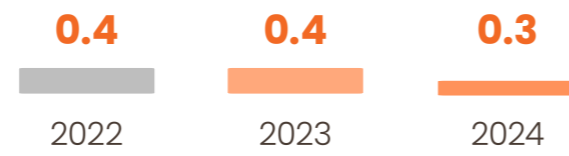
Total Liabilities (in Php Billion)



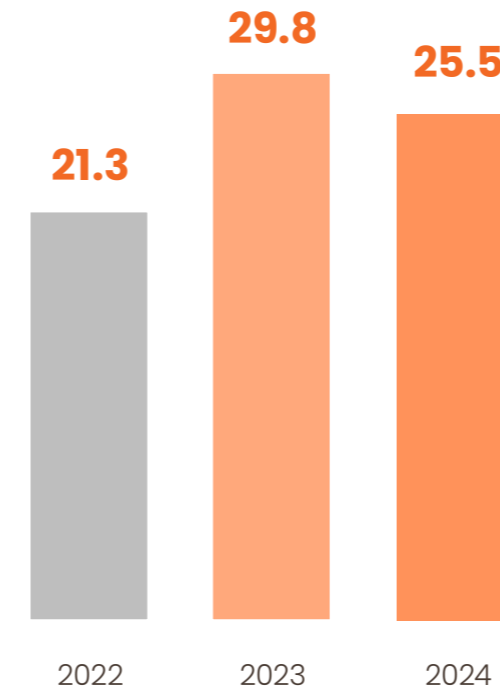
Loan Payments (in Php Billion)



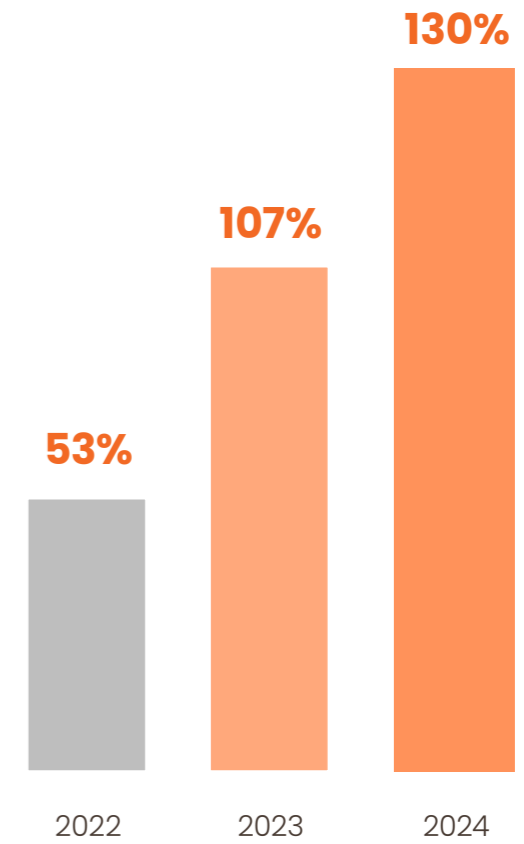
Debt to Equity Ratio



Dividend Payments (in Php Billion)



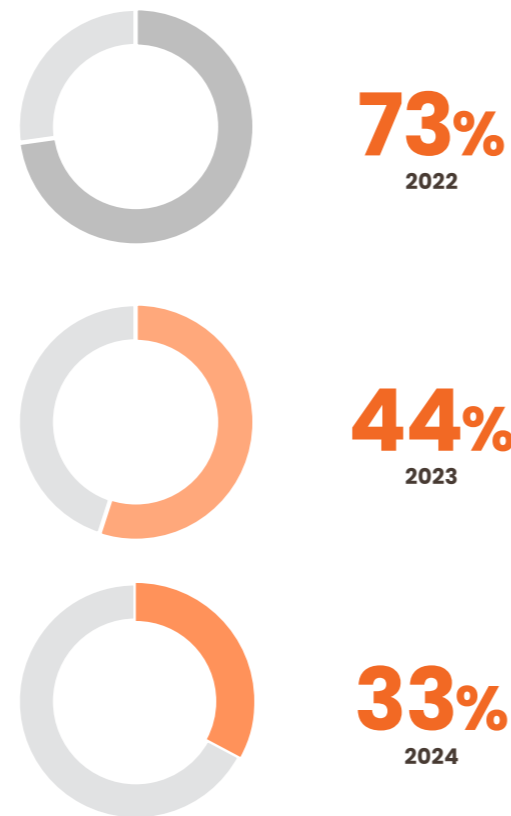
Dividend Payouts (in %)



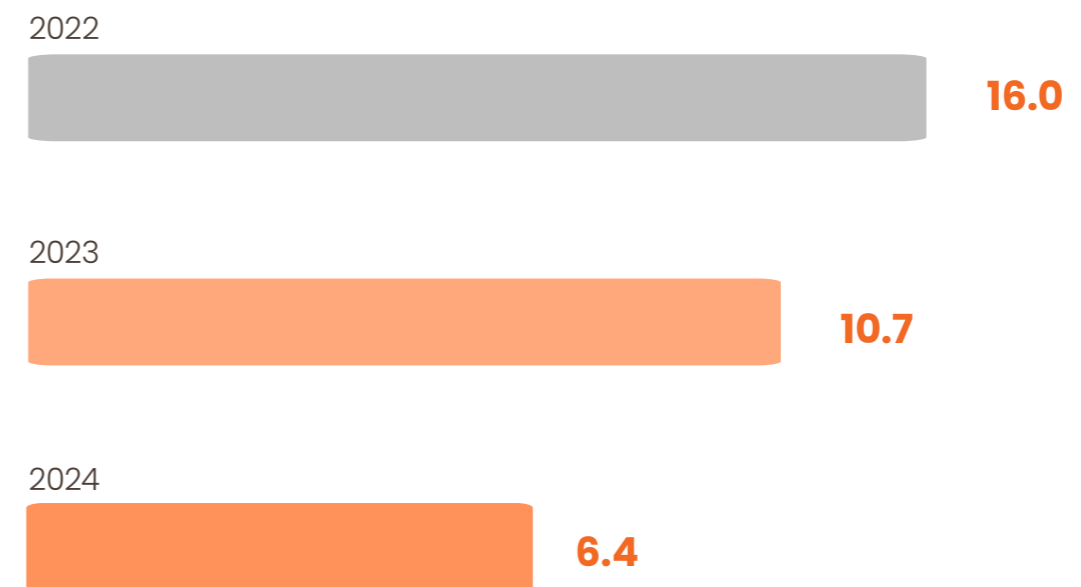
Total Assets (in Php Billion)



Return on Equity (in %)



Royalties to Government (in Php Billion)



Advancing Growth

In 2024, the coal market recorded an ease in Asian prices amidst global tensions and abundant coal stocks. Newcastle Index (NEWC) declined 22% while Indonesian Coal Index 4 (ICI4) fell 15% in 2024, following ample supply in Indonesia and Australia, trade war risks, and the increase in China's domestic coal production. These events have contributed to a dip in global demand and coal prices, which we expect to persist towards 2025.

Conversely, Indonesia's recent shift to Harga Batubara Acuan (HBA)-based pricing for all coal transactions may help alleviate downward pressures on ICI pricing by reducing volatility in the Asian markets.

In the power market, spot prices fell in the Luzon-Visayas grid from P5.96/KWh to P5.14/KWh, following the addition of 2,700MW in new capacity and lower fuel costs. Average supply for the year rose 9%, while full-year demand increased 7%, from 11,125 MW to 11,947 MW.

To adapt to steadying market conditions, SMPC is keen on strengthening our customer base, exploring opportunities to ramp up exports of mid-to-low calorific coal to reduce

reliance on a single market. Meanwhile, increased local demand following the election and summer season will likely push power prices upward.

Looking ahead to 2025, we remain cautiously optimistic, with a continued focus on operational efficiency to navigate an evolving energy landscape. Our robust pipeline—aimed at reducing production costs, securing contracts for 50% of our power segment's net selling capacity, and advancing integration of the recent CHP acquisition—reinforces our strategic investments and positions us for sustained, long-term growth.

Php 65.2B
Consolidated Revenue

Php 19.6B
Consolidated Net Income

Php 25.5B
Cash Dividends



Coal Segment Standalone Highlights

Total production stayed within our Environmental Compliance Certificate (ECC) limit of 16.0 million metric tons (MMT) for the third consecutive year. Coal shipments reached a record high of 16.5 MMT, marking a 4% increase from 15.8 MMT.

Foreign shipments rose by 5%, from 8.1 MMT to 8.5 MMT. China represented 91% of the total exports, followed by South Korea at 7% and Brunei at 2%.

Meanwhile, domestic shipments grew by 4%, from 7.7 MMT to 8.0 MMT, on stronger demand from our own power plants. Shipment to our power plants jumped by 14%, from 3.6 MMT to 4.1 MMT, while external sales slightly contracted by 5%, from 4.1 MMT to 3.9 MMT, due to weaker demand from other power and industrial plants. However, this decline was partially offset by a 117% surge in shipments to cement plants from 0.6 MMT to 1.3 MMT. Notably, 20% of the cement sales were supplied to associate company Cemex Holdings Philippines.

The average selling price (ASP) of Semirara coal decreased by 25%, from Php 3,796 per MT to Php 2,853 per MT. This decline was primarily driven by stabilizing market indices and a higher share of lower-grade coal shipments, which rose from 16% to 26% of total sales.





16.0 MMT

Max Coal Production for 3rd Consecutive Year



8.5 MMT

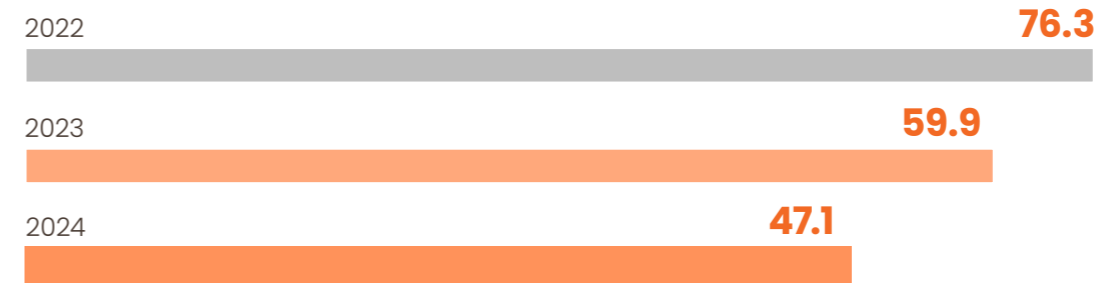
Coal Exports



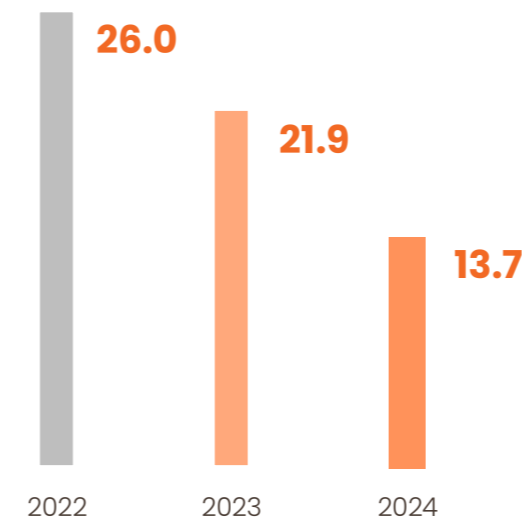
16.5 MMT

Coal shipments

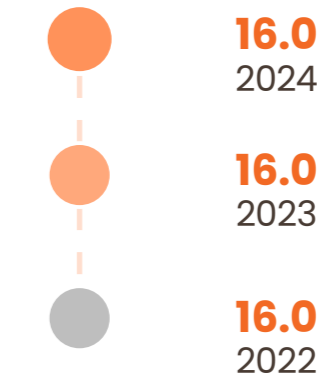
Revenues (in Php Billion)



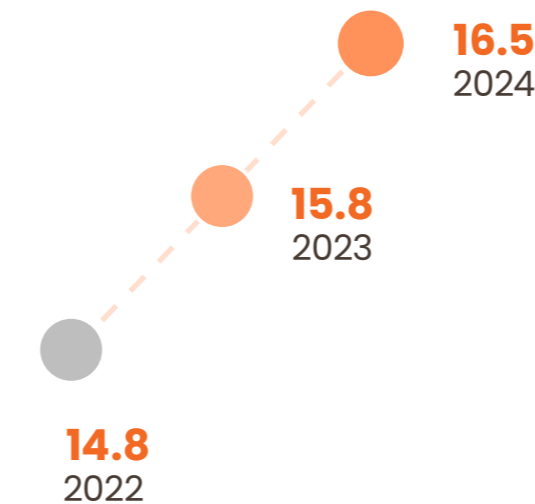
Net Income (in Php Billion)



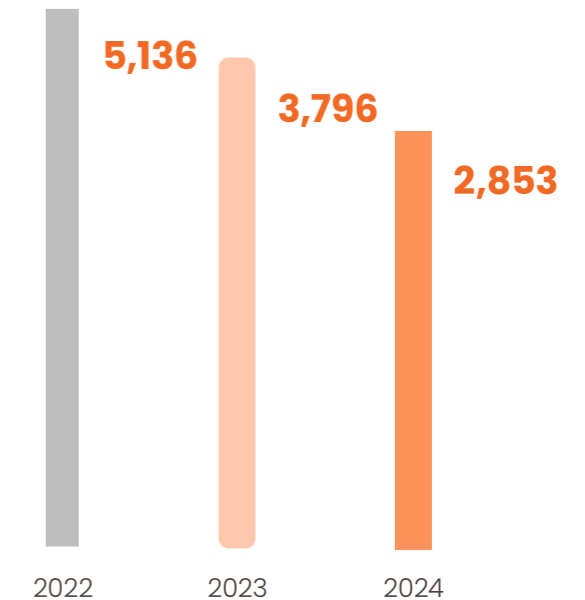
Coal Production (in MMT)



Sales Volume (in MMT)



Average Selling Price (in Php per MMT)



Power Segment Standalone Highlights



5.4K GWh
Record-high Gross Generation



4.9K GWh
Sales Volume



764 MW
Average Capacity



Php 23.5B
Power Revenues

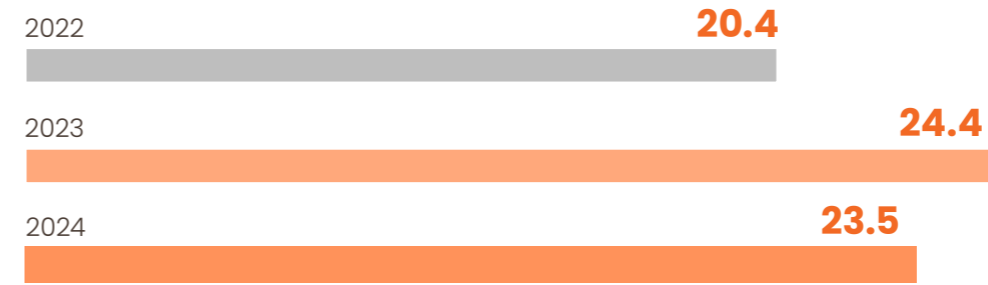
The power segment achieved its highest-ever output yet with a 2024 gross generation of 5,358 GWh, on the back of improved generation from our SCPC and SLPGC plants. Power sales increased to 4,945 GWh, softening weaker selling prices and driving PHP 23.5 billion in power revenues. Sales to bilateral contracts (BCQ) surged by 46%, supported by improved average capacity and a higher contracted capacity from the prior year.

We recorded steady plant availability in 2024 at 80%, owing to reduced outages in our SLPGC plant. Dependable capacity expanded from 710 MW to 840 MW, driven by the synchronization of SCPC Unit 2 after a 77-day planned maintenance to restore its dependable capacity from 170 MW to 300MW.

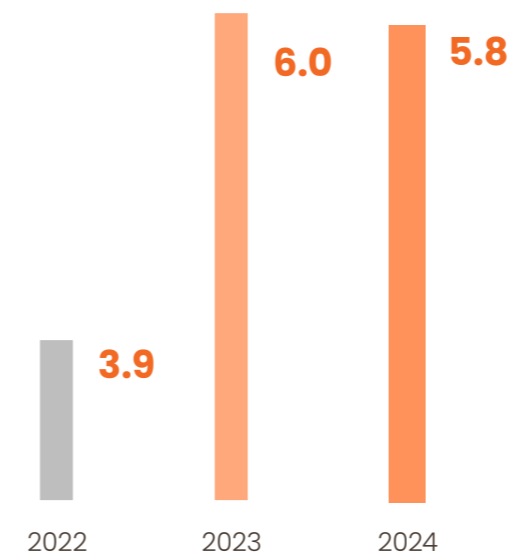
Contracted capacity rose by 6%, reaching 251.9 MW, up from 238.2 MW in 2023, while the share of power sales sold to the spot market dropped by 10%, from 3,076 GWh to 2,848 GWh in 2024. This strategic shift to prioritize contracted sales reduced the company's exposure to the spot market, resulting in a 47% decrease in power replacement purchases, from Php 721 million to Php 382 million in 2024.



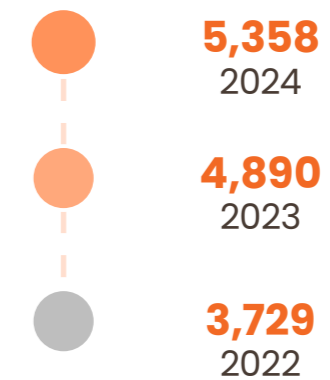
Revenues (in Php Billion)



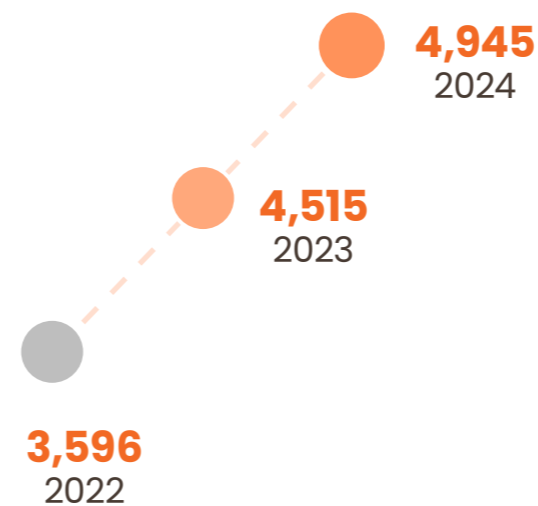
Net Income (in Php Billion)



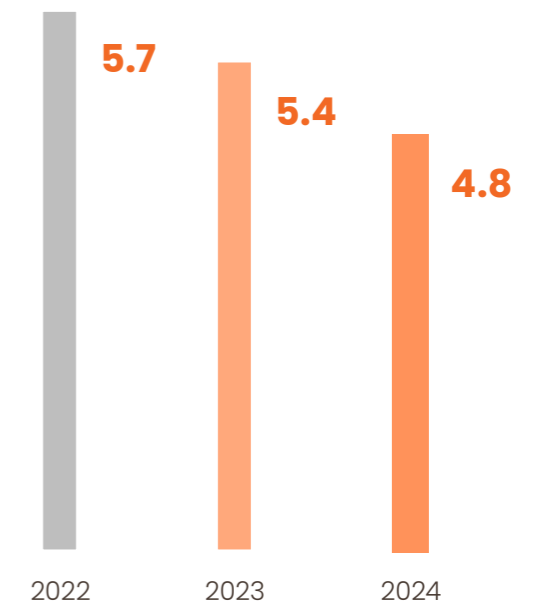
Gross Generation (in GWh)



Sales Volume (in GWh)



Average Selling Price (in Php/KWh)



SCPC Achieves Increased Power Capacity

In 2024, SCPC successfully expanded its average capacity with the resynchronization of Unit 2 on May 22, leading to higher generation and power sales towards the end of the year. Plant availability fell by 11% from 91% to 81% as outage days increased from 68 days to 141 days attributable to its 77-day planned maintenance. This led to a sharper rise in cash costs, driven by higher replacement power costs, taxes, insurance, and maintenance expenses. These repairs are expected to strengthen long-term reliability in the near future.

Standalone revenues slid by 9% following lower spot prices. Despite lower plant availability, improved average capacity drove a 6% increase in gross generation, primarily due to higher output from Unit 2. We recorded a rise in contracted capacity of 206.5 MW as of December 2024 – a 63% increase from December 2023. 5% of the contracted capacity is set to expire within 2024, 73% in 2026, while the remaining contracts will expire by 2030, ensuring long-term stability and strategic flexibility in power supply agreements.



477 MW
Average Capacity



3.2K GWh
Sales Volume



3.4K GWh
Gross Generation



Php 15.4B
Revenues



81%
Plant Availability

FEATURE STORY



AI-Powered Digitization

In 2024, SMPC embraced digitization through the strategic integration of AI technologies to enhance operational efficiency and drive cost savings.



Smart Risk-Based Inspection Monitoring

We developed an in-house platform to optimize boiler tube thickness analysis that was implemented during both Units 3 and 4 outages in 2024. This led to a decrease in report generation time by 80%, from 45 hours to 9 hours.



Digitized Invoicing and Discrepancy Reporting

Rolling out an automated invoicing platform saw an 87% improvement in efficiency, reducing invoice processing time from 113 minutes to 15 minutes.



Automated Performance Reporting

Our streamlined performance tracking tool has cut down reporting time from 25 man-hours per week to 3 hours and 35 minutes.



Supply Chain Analytics Engine

Developing a tool that directly integrates data in supply chain reports significantly reduced dashboard updating from 4 hours to 1 minute, and report generation from 3 hours to 30 minutes.

Looking ahead, we plan to leverage AI and robotic systems to enhance our data collection and workflows. We will also build on data analytics competencies and strengthen collaboration across teams through data integration.



Strong Plant Availability Fuels SLPGC Growth

In 2024, we successfully reduced power outages of SLPGC’s Unit 1 and 2, boosting plant availability by 11% and cutting down outage days down from 211 to 155. This has consequently led to an increased average capacity of 287 MW, 6% improvement in gross generation (1,988 GWh), and 78% reduction in spot buys.

Increased operation efficiency of SLPGC units directly correlated with the surge in the subsidiary’s earnings, which significantly grew to Php 8.1 Billion, an 8% rise from 2023. Group contributions jumped to 14%, which has

effectively offset weaker coal and SCPC contributions.

Following a shift towards the spot market, spot sales climbed from 543 GWh to 885 GWh. Other income tripled (201%), from Php 103 million to Php 310 million, largely driven by a P186 million insurance claim related to the high axial displacement incident in Q2 2023. As of December 31, 2024, 15% (or 45.4 MW) of SLPGC’s 300 MW dependable capacity was under contract, with all contracts set to expire within 2025.



287 MW
Average Capacity



1.8K GWh
Sales Volume



2.0K GWh
Gross Generation



Php 8.1B
Revenues



79%
Plant Availability



Our Sustainability Approach

With “malasakit” at our core, SMPC recognizes sustainability as a business-wide responsibility, understanding that an integrated approach creates lasting value for our organization and stakeholders. Our sustainability approach, driven by this care and concern, builds a resilient business and fosters shared prosperity.

Stakeholder Engagement

2-26, 2-29

Meaningful stakeholder engagement is essential for driving sustainable practices, ensuring diverse perspectives are valued and integrated into our core strategy. By prioritizing stakeholder needs and expectations, we've refined our sustainability strategy to effectively address key ESG impacts and build strong, trusting relationships.

Stakeholder engagement sessions per stakeholder group	ASM	CM	CSS	EQ	FGD	IAS	IBC	IC	IEC	IHW	IMS	MMT	OCS	SC	SM	SVT	TM
Employees					✓	✓		✓	✓	✓	✓	✓	✓	✓	✓		✓
Suppliers, Contractors, and Business Partners		✓			✓					✓				✓		✓	✓
Regulators and Government Agencies		✓			✓	✓				✓		✓				✓	
Local Government Units		✓			✓				✓	✓		✓				✓	
Customers	✓	✓	✓	✓	✓		✓			✓						✓	
Investors, Banks, and Shareholders	✓			✓			✓			✓							
Host Communities and Non-Government Organizations		✓			✓	✓			✓	✓		✓			✓	✓	
ESG Rating Agencies		✓		✓													



Legend:

ASM - Annual Stockholders' Meeting
CM - Consultations, Meetings
CSS - Customer Satisfaction Survey
EQ - ESG-related Questionnaires

FGD - Focus Group Discussions, Consultations
IAS - Impact Assessment and Studies
IBC - Investor Briefings, Conferences
IC - Internal Communication (Postman email, messaging apps, and text blast)

IEC - Information, Education, and Communication programs
IHW - Integrity Hotline and Whistleblowing
IMS - Integrated Management System (IMS) meetings
MMT - Multi-partite Monitoring Team

OCS - Organizational Climate Survey
SC - Safety Committee meetings
SM - Social Media
SVT - Site Visits, Tours, and Inspections
TM - Toolbox Meetings, Town Halls

Materiality

2-14, 3-1, 3-2

For 2024, we have reaffirmed our key material topics based on insights gathered from previous stakeholder engagement sessions, which informed the materiality assessment of prioritized areas for enhancing our sustainability performance. These were identified through the assessment of SMPC’s potential and actual impacts on the economy, environment, and society, aligning with the materiality process set by the 2021 GRI Standards.

Our Board reviewed and approved the reported information including our material topics.



Economic Development

- Economic Performance
- Market Presence
- Indirect Economic Impacts



Environmental Sustainability

- Materials
- Energy
- Water and Effluents
- Biodiversity
- Emissions
- Waste
- Supplier Environmental Assessment
- Mine Rehabilitation



Social Inclusion

- Employment
- Occupational Health and Safety (OHS)
- Diversity and Equal Opportunity
- Security Practices
- Local Communities
- Emergency Response and Disaster Resilience
- Labor/Management Relations
- Training and Education
- Customer Health and Safety

Our Contribution to the United Nations Sustainable Development Goals (UN SDGs)

<div data-bbox="97 470 237 598"> <p>1 NO POVERTY</p> </div> <ul style="list-style-type: none"> Improvement of livelihood <ul style="list-style-type: none"> Local employment opportunities Non-mining livelihood and entrepreneurship projects Local procurement 	<div data-bbox="816 470 949 598"> <p>6 CLEAN WATER AND SANITATION</p> </div> <ul style="list-style-type: none"> Alternative water sources use Rainwater collection system program for communities Wastewater treatment facilities Effluent quality monitoring Groundwater resource management 	<div data-bbox="1513 470 1647 598"> <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> </div> <ul style="list-style-type: none"> Social protection programs after end of mine life Transport and community infrastructure projects such as airport, shipping port, and construction and maintenance of road networks Multi-stakeholder emergency response team in Semirara Island Construction and maintenance of wet and dry market facilities Construction and maintenance of commercial center hub 	<div data-bbox="2211 470 2344 598"> <p>14 LIFE BELOW WATER</p> </div> <ul style="list-style-type: none"> Giant clams propagation and reseedling Semirara Marine Hatchery and Laboratory Coral and seagrass transplantation Partnerships for marine protected areas in Semirara Island, Antique and Balayan, Batangas Adopt-a-river program partnership with the Department of Environment and Natural Resources (DENR) Coastal cleanup program
<div data-bbox="97 703 237 831"> <p>2 ZERO HUNGER</p> </div> <ul style="list-style-type: none"> Agro model farm Backyard farming program Poultry model farm 	<div data-bbox="816 766 949 894"> <p>7 AFFORDABLE AND CLEAN ENERGY</p> </div> <ul style="list-style-type: none"> Cost-efficient and energy-saving facilities upgrades and programs 	<div data-bbox="1513 955 1647 1083"> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> </div> <ul style="list-style-type: none"> Water resource management Emissions, waste, and effluents management Energy efficiency management Responsible sourcing and ESG criteria for suppliers Bottom ash and fly ash repurposing Solid waste management program through prevention, recycling, reduction and reuse Used container vans repurposing 	<div data-bbox="2211 892 2344 1020"> <p>15 LIFE ON LAND</p> </div> <ul style="list-style-type: none"> Panian mine rehabilitation and restoration of terrestrial ecosystems Semirara Biodiversity Conservation Center Adopt-a-forest program with the DENR
<div data-bbox="97 871 237 999"> <p>3 GOOD HEALTH AND WELL-BEING</p> </div> <ul style="list-style-type: none"> Workplace occupational safety and health program Pit safety program Employee COVID-19 and flu vaccination program Community health programs and capacity-building support SMPC infirmary services COVID-19 response program LGU partnerships on community health workers training Medical mission programs 	<div data-bbox="816 934 949 1062"> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <ul style="list-style-type: none"> Local procurement through MSMEs Direct, indirect, and induced employment Payment of taxes and royalties Respecting and promoting the rights and welfare of employees 	<div data-bbox="1513 1354 1647 1482"> <p>13 CLIMATE ACTION</p> </div> <ul style="list-style-type: none"> Carbon offsets through afforestation and reforestation Biodiversity offsets through marine and terrestrial conservation programs PHP 1.5 billion appropriation for climate investment Capacity building towards a low carbon transition roadmap Emergency preparedness and disaster resilience program and trainings for communities Partnership for a mangrove enrichment program with Caluya Municipality 	<div data-bbox="2211 1165 2344 1293"> <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> </div> <ul style="list-style-type: none"> Community dialogues, consultations, and issue resolutions Zero child and forced labor violation Whistleblowing and stakeholder grievance redress system Code of conduct and ethics
<div data-bbox="97 1291 237 1419"> <p>4 QUALITY EDUCATION</p> </div> <ul style="list-style-type: none"> Undergraduate scholarships Postgraduate scholarships for teachers Blended school learning materials and equipment support E-learning support Free private school education for mine site employee dependents through SMPC-established Divine Word School of Semirara Island, Inc. Free technical-vocational courses through SMPC-established Semirara Training Center, Inc. 	<div data-bbox="816 1207 949 1335"> <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> </div> <ul style="list-style-type: none"> Infirmity infrastructure repairs and upgrades in Semirara Island Construction of schools and classrooms in Semirara Island and nearby islands Community access to the company IT network infrastructure 	<div data-bbox="1513 1753 1647 1881"> <p>17 PARTNERSHIPS FOR THE GOALS</p> </div> <ul style="list-style-type: none"> Public-private partnerships for sustainable environmental and social development programs Regular convergence and coordination meetings with local government units on Barangay Development Plans 	
<div data-bbox="97 1753 237 1881"> <p>5 GENDER EQUALITY</p> </div> <ul style="list-style-type: none"> Gender-inclusivity, diversity, and equity policy Gender-sensitive anti-harassment policy Gender-inclusive livelihood projects 	<div data-bbox="816 1501 949 1629"> <p>10 REDUCED INEQUALITIES</p> </div> <ul style="list-style-type: none"> Out-of-School Youth skills training and job opportunities for graduates Social development projects for women and marginalized groups Social protection programs for vulnerable groups 		



Fostering Growth and Prosperity

SMPC is invested in fostering shared growth by prioritizing inclusive and sustainable economic development, believing that this approach best serves the well-being of our stakeholders. We recognize that strong financial performance is essential for fostering inclusive growth, as it provides the necessary resources to fund sustainability initiatives and stimulate economic development.

Economic Performance

3-3, 201-1



In 2024, SMPC demonstrated resilience and a commitment to generating significant economic value despite industry headwinds. We focused on strategic marketing and operational efficiencies to drive sales and maximize value, resulting in record-breaking

dividends for our stakeholders. Furthermore, SMPC remained a vital contributor to national growth by providing essential baseload power, actively supporting the Department of Energy’s Energy Transition Plan.



Php 65.3B
Generated



Php 67.3B
Distributed

Direct Economic Value Generated and Distributed (in PHP millions)	2024	2023	2022
Direct Economic Value Generated	65,360	78,723	91,730
Revenue	63,845	76,782	91,068
Interest Income	885	1,180	412
Other Income	630	761	251
Economic Value Distributed	67,324	76,926	69,449
Operating cost	28,281	28,823	25,309
Employee benefits and wages	3,625	3,544	3,019
Payment to providers of capital	25,774	30,228	22,150
Payment to government	9,619	14,262	18,886
Community investments	26	68	85
Economic Value Retained	(1,965)	1,798	22,280




Royalties (In PHP billion)

	2024	To Date Since 1997	Allocation Share
Philippine Government	3.8	39.9	60%
Municipality of Caluya	1.2	12.0	18%
Barangay Semirara	0.9	9.3	14%
Province of Antique	0.5	5.3	8%
Total	6.4	66.5	100%


We are committed to delivering sustainable economic development and ensuring inclusive growth through our timely remittance of government royalties. As per the Philippine Local Government Code, 80% of the royalty share from our energy operations is directed towards energy-reducing programs, while 20% is allocated for community development programs.

This ensures a holistic and just energy transition for the country as we champion a more sustainable future.

In 2024, our government payments reached Php 9.6 billion, while environmental and community spend were Php 26.0 million. Royalties were distributed to the provincial and municipal governments of Antique, Caluya, and our host barangay local government unit (BLGU) of Semirara. We continue to advance the economic and resilient development of our communities.



Php 100.9M
ER 1-94 Remittances in 2024



Php 448.3M
ER 1-94 Remittances to date

Under Energy Regulations No. 1-94 (ER 1-94), a portion of the revenue from electricity generated by power plants is allocated to host communities to finance their development projects.



Caluya, Antique

Philippine Municipality with Highest Revenue in 2023, 1st Class Municipality since 2007

Source: 2023 Annual Financial Report, Commission on Audit

Caluya and BLGU Semirara Energization Projects Utilized from its Share in Royalties

Construction and installation of Solar Streetlights	Php 80M
Construction and installation of Solar Beach lights	Php 40M
Supply and installation of 2 units 600 KVA Diesel Generator Sets at Sibay Island	Php 19M
Completion of new solar powered municipal hall	Php 192M
Upgrading and repair of electrical distribution line system at Sibay Island	Php 8M
Construction of Caluya Solar Powered Water System	Php 47M
Supply of distribution line system transformers	Php 8M
Sustainable renewable project energy solar powered PV for Municipal, Barangay and School Buildings	Php 95M
Expansion and upgrading of motorpool at Sibay Power Plant	Php 2M



Industry Partnerships

2-28

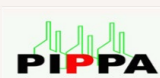
We actively engage with our industry peers through major associations in the Philippines and ASEAN. This allows us to stay aligned with trends and unlock new opportunities to promote sustainable growth of the energy sector.



Chamber of Mines of the Philippines



ASEAN Forum on Coal (AFOC) National Committee of the Philippines, Inc.



Philippine Independent Power Producers Association (PIPPA)



Local Procurement

3-3, 204-1



SMPC believes in developing sustainable growth in the communities where we operate. We aim to foster a strong partnership with local suppliers, strengthen businesses and support job creation in the local economy. Investing in local suppliers builds their capacity, creating a sustainable economic environment that benefits our communities.



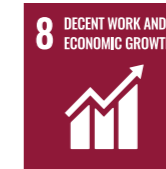
499
Local Suppliers



206
Foreign Suppliers

Socio-economic Compliance

3-3, 2-27, 413-2



Our culture is founded on the principles of fairness and accountability, fostering trust and reliability among our stakeholders. SMPC remains steadfast in its commitment to full compliance with all applicable socio-economic regulations governing our business.

Our Governance, Risk, and Compliance (GRC) Framework guides us in our adherence to national regulations. SMPC also consults with stakeholder groups through our Multi-partite Monitoring Team (MMT) established pursuant to our DENR-Environmental Compliance Certificate (ECC) and regularly submits annual and quarterly reports to the Department of Energy (DOE), Energy Regulatory Commission (ERC) and other regulators.

Furthermore, we consistently monitor and exercise due diligence of any reported incidents of non-compliance to government bodies and regulators, upholding the highest standards of corporate governance, ethics, and transparency.



0 cases
of major non-compliance to regulatory bodies



Driving Nature – Climate Stewardship

Recognizing our responsibility to restore the ecosystems affected by our operations, SMPC adopts a holistic, science-driven approach to minimize our environmental impact. Across all SMPC work sites, we cultivate a culture of environmental stewardship, actively engaging with stakeholders and implementing innovative technologies to minimize our footprint. We are dedicated to operating with purpose and integrity, driving sustainable practices that create lasting positive impact.

Climate Action

3-3, 2-23, 201-2



We recognize the growing importance of climate resilience in sustaining business operations and supporting long-term stakeholder value. At SMPC, climate action is integral to our strategy. Guided by our sustainability roadmap, we proactively manage risks, strengthen capabilities, and incorporate climate considerations into our decision-making process. Our efforts focus on risk management, energy efficiency, carbon offsets, and nature-based solutions, all of which contribute to a more sustainable and environmentally balanced future.



Our Climate and Sustainability Roadmap

TCFD Pillars

2017-2023

2024

Short – Term
(1-5 years)

Medium- to Long-Term
(6 to 15 years)



Governance

- Approval of Climate Change Policy
- Creation of a Board Strategy and Sustainability Committee
- Amendment of the Risk Committee and Corporate Governance Committee charters for the integration of climate-related, ESG, and sustainability oversights to risk evaluation
- Establishment of a cross-functional Corporate ESG Sustainability team and TCFD working group
- Recalibration of Climate and Sustainability Working Group for the management of climate and sustainability related strategies

- Appointment of Chief Sustainability Officer (CSO)

- Compliance to IFRS Climate and Sustainability Reporting Disclosure Standards
- Limited assurance on climate reporting



Strategy

- Appropriation of Php1.5B retained earnings for new climate-related investments and projects
- Establishment of water resource management initiatives
- Development of energy efficiency plans and Programs
- Continuing business development for growth opportunities that support a low carbon economy
- Decommissioning of 2 x 25 MW gas turbine units

- Advancing AI-driven methodologies to improve terrestrial and marine carbon sequestration accounting processes

- Power supply agreement on 2 x 6.2 MW wind energy to support coal mining operations
- Installation of mini-hydro power generators on the discharge channel towards the sea water outfall of SLPGC
- Partnership on potential AI application on carbon offset initiatives

- Availment of carbon credit as offset to GHG emissions



Risk Management

- Update of Group Enterprise Risk Management (ERM) policy and Risk Register for the integration of climate and TCFD Recommendations
- Climate capacity building on climate risk awareness, identification, and assessment

- Capacity building on climate scenario analysis and impact assessment of physical and transition risks and opportunities



Metrics and Targets

- Accounting of Scope 1, 2, and 3 GHG emissions based on globally recognized methodologies
- Over 72K MWh energy saved through the implementation of energy conservation programs such as installation of Low Vacuum Economizer in Unit 1 of SCPC, retrofiting of lighting into LED, and boiler improvements

- 78.6K MWh of energy savings through implementation of Energy Efficiency and Conservation (EEC) Programs such as the installation of Low Vacuum Economizer and Burner Micro Oil in Unit 2 of SCPC, and continuous boiler improvement
- Reduced groundwater withdrawal by 52% in SCPC by utilizing the rejects from the Reverse Osmosis process of the Water Treatment Plant as domestic water

- 85K MWh target energy savings through the continuous improvement of boiler performance and energy efficiency initiatives



Reporting and Communication

- Disclosure of Scope 1, 2, and 3 GHG emissions based on accepted methodologies

- Climate reporting compliance aligned with the International Financial Reporting Standards S1 and S2

Climate Governance

2-13

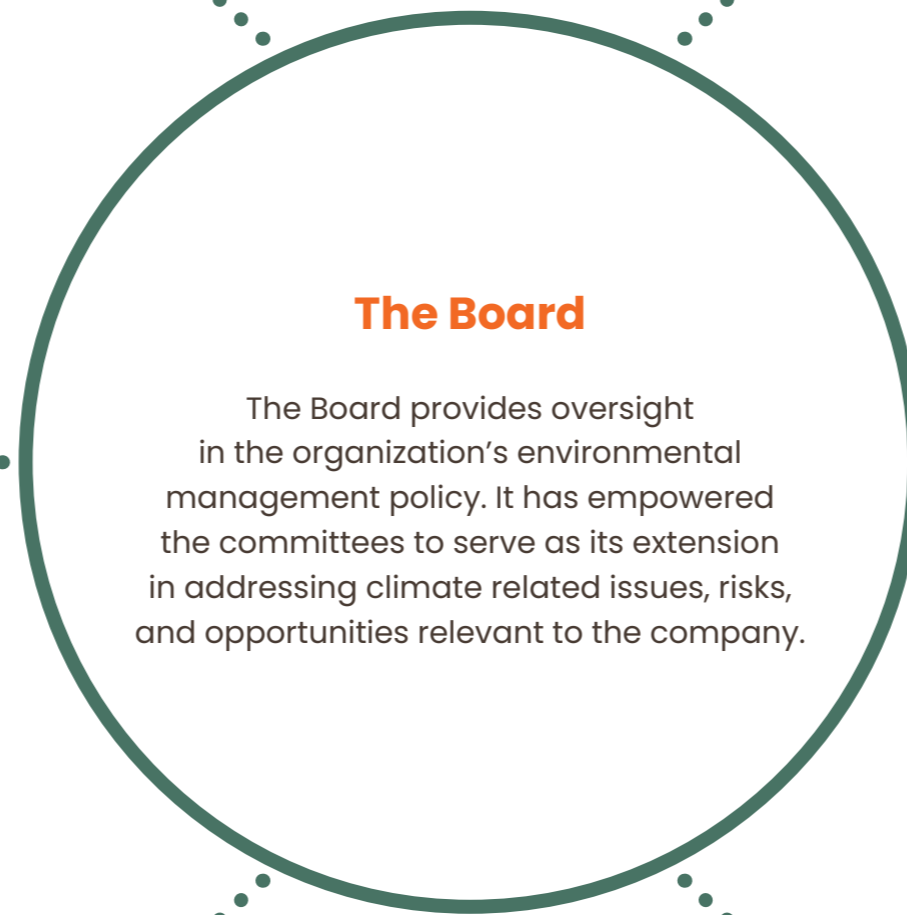
At SMPC, the ultimate responsibility for the implementation of our sustainability policies and goals resides with our Board of Directors.

Strategy and Sustainability Committee

Aids the Board in formulating climate strategies and crafting a sustainability roadmap for a low-carbon economy. It contemplates climate change implications, ESG trends, and stakeholder expectations, guiding management’s major actions. In 2024, it monitored the implementation of green energy project and energy savings initiatives.

Corporate Governance Committee

Oversees and reviews the framework, policies and programs related to ESG. Together with the Management, the Committee also oversees and reviews the company’s material ESG metrics, targets and performance.



Audit Committee

Reviews the outcomes of an audit conducted on our integrated management system. This system encompasses various aspects, including environmental compliance, significant climate reporting, and sustainability. Their oversight involves assurance reports to assess the adequacy and effectiveness of our integrated systems in terms of ESG governance. The committee plays a crucial role in ensuring transparency and accountability in these critical areas.

Risk Committee

Oversees our company’s climate-related risks and opportunities. This includes assessing emerging risks and trends. Their focus extends to management reports that delve into climate risk assessment, the approach taken, and our response to climate-related risks. Specifically, they scrutinized the risk management approach concerning climate-related factors that impact our operations, as well as those stemming from emerging initiatives, policies, and regulations.

The Management 2-13

Chief Executive Officer

Bears ultimate responsibility for steering our company’s course in managing climate-related strategies, assessing risks, and seizing opportunities. These actions are critical as we navigate toward an inclusive and equitable energy transition.

President, Chief Operating Officer, Chief Sustainability Officer

Directs cross-functional Corporate ESG Sustainability Group in advancing our climate strategies and enhancing our capacity building efforts.

Chief Risk Officer

Leads the enterprise risk management implementation, including business continuity management and climate change adaptation, and reports climate-related matters to the Risk Committee and senior management.

Chief Finance Officer

Identifies and reports the financially material climate-related risks and opportunities, evaluates their financial impact to the organization and aligns our financial resource allocation to our low carbon strategy.

Chief Business Development Officer

Spearheads the exploration and evaluation of potential opportunities and partnerships to sustain growth and competitive advantage and consider their climate-related impacts to the relevant stakeholders.



ESG Sustainability Group

Our ESG Sustainability Group aims to ensure that the executive leadership calibrates, coordinates, manages, and communicates climate and ESG focus areas with our internal and external stakeholders.

The Group escalates material sustainability issues to the Strategy and Sustainability Committee and senior management for appropriate disposition.



Climate and Sustainability

Champions climate capacity building, develops a carbon transition plan with strategic milestones and targets, pursues potential partnerships to expand carbon offsets, and ensures the coordination of resources for an effective integration of sustainable Environmental, Social and Governance (ESG) practices.



Environmental and Energy Efficiency

Oversees, manages, and reports on key climate and nature programs and performance metrics, including carbon emissions, carbon intensity, water intensity, biodiversity, and energy efficiency.



Supply Chain

Collaborates with key business partners to pursue technological opportunities across the supply chain for enhancing energy efficiency and waste reduction, reuse, and recycling.



Human Resources Occupational Safety and Health Social Development

Works closely with key internal stakeholders (employees) and external stakeholders (impact communities) to advance ESG initiatives, with a primary focus on the Social Pillar. This includes ensuring the safety and well-being of employees, contractors, and communities; promoting equal opportunities for all; and empowering impact communities toward greater self-reliance.



Climate Strategy

Our climate action strategy remains focused on carbon offsets, investments in energy-saving technology, and implementation of effective Energy Efficiency and Conservation (EEC) projects.

In 2024, we partnered with a leading professional organization specializing in climate change and sustainability services to build our capacity in implementing effective sustainability strategies and managing long-term climate risks.

As part of our terrestrial carbon sequestration efforts in 2024, we conducted a comprehensive literature review and developed new methodologies for AI-based data collection. This allowed us to explore more efficient ways of gathering data for reforestation efforts. Additionally, we piloted this new data collection methodology alongside traditional methods in select reforestation areas to compare their effectiveness. We also developed an initial tree counting model specifically for sample areas, laying the groundwork for better monitoring of forest growth and carbon sequestration.

In terms of marine carbon sequestration, we included a budget for the procurement of remote-operated vehicles (ROV) in 2024 to facilitate giant clam geotagging and seafloor imaging. These ROVs are crucial for better understanding marine carbon storage and supporting the monitoring of marine ecosystems. The procurement of these ROVs is planned for 2025, marking an important milestone in advancing marine carbon sequestration initiatives.

Risk Management

In partnership with a firm specializing in climate change and sustainability services, we identified relevant physical and transition business risks aligned with the requirements of IFRS S2. We have integrated climate-related risk identification and assessment into our Enterprise Risk Management (ERM) framework, incorporating these risks into our risk taxonomy, categories, types, and continuity plan. We regularly monitor climate reporting standards and requirements changes affecting risk management and scale capacity building to proactively respond to significant climate and sustainability related risks and opportunities.

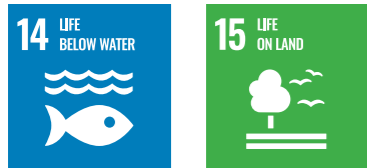
Metrics and Targets

We consistently monitor, track and report our Scopes 1, 2, and 3 GHG emissions, water withdrawal and consumption, and energy consumption and efficiency initiatives. We set annual energy savings targets that also translate to GHG reductions. We continuously look for opportunities to reduce our GHG emissions through green and blue carbon offset programs and initiatives. In addition to our existing initiatives, we are also looking into utilizing data analytics and artificial intelligence (AI) technologies to further improve the effectiveness of our carbon offset programs.



Biodiversity

3-3, 304-1, 304-2, 304-4








Our biodiversity initiatives focus on managing local ecosystems in a way that promotes the thriving of wildlife alongside our operations.

Our team collaborates with scientific experts, environmental consultants, local communities, and national and local government offices to develop science-based, indigenous, and sustainable programs that go beyond compliance, focusing on long-term environmental restoration and conservation.

Progressive Rehabilitation and Reforestation

One of our core commitments is the responsible management of the environment. As part of our commitment to climate action, we actively engage in key initiatives that drive reforestation, afforestation, vegetation restoration, and the continuous monitoring of areas impacted by mining activities.

- 
586.27 ha
 mined-out area rehabilitated
- 
1.10M
 trees planted in mined-out area
- 
1.05M
 trees planted outside of mining area
- 
160.60 ha
 mangrove area reforested
- 
623K
 mangroves planted on Semirara Island



Conservation Status of Tree Species in Semirara Isalnd

Common Name	Scientific Name	Conservation Status		2024 Inventory
		IUCN Red List ¹	National Conservation List ²	
Narra	<i>Pterocarpus indicus</i>	Endangered	Vulnerable	16,249
Dao	<i>Dracontomelon dao</i>	Least Concern	Vulnerable	285
Molave	<i>Vitex parviflora</i>	Least Concern	Endangered	38,542
Ipil	<i>Intsia bijuga</i>	Near Threatened	Endangered	248
Manila Palm	<i>Adonidia merrillii</i>	Vulnerable	Vulnerable	3,004
Pitogo	<i>Cycas riuminiana</i>	Endangered	Vulnerable	790

¹IUCN Red List is a list of species classified in high risk of global extinction

²National Conservation List or DENR Administrative Order 2017-11 is the national list of threatened Philippine plants

³Critically Endangered - refers species, subspecies, variety, or forma that face extremely high risk of extinction in the wild in the immediate future

Endangered - refers to species, subspecies, variety, or forma that is not critically endangered but whose survival in the wild is unlikely if the causal factors continue operating

Vulnerable - refers to a species or subspecies, variety, forma, or other infraspecific categories of plant that is not critically endangered nor endangered but is under threat from adverse factors throughout its range and is likely to move to the endangered category in the future; species categorized by the IUCN as likely to become endangered unless the circumstances threatening its survival and reproduction improve. It is therefore considered to be facing a high risk of extinction in the wild

Near threatened - species does not qualify for Critically Endangered, Endangered or Vulnerable now, but is close to qualifying for or is likely to qualify for a threatened category in the near future

Least Concern - species that has been evaluated by the IUCN but currently not the focus of wildlife conservation because the specific species is still plentiful in the wild

Other Threatened Species - refers to a species or subspecies, variety, forma, or other infraspecific categories that is not critically endangered, endangered, nor vulnerable but is under threat from adverse factors, such as over collection throughout its range and is likely to move to the vulnerable category in the near future

Other Wildlife Species - refers to non-threatened species or subspecies, variety, forma, or other infraspecific categories that have the tendency to become threatened due to destruction of habitat or other similar causes

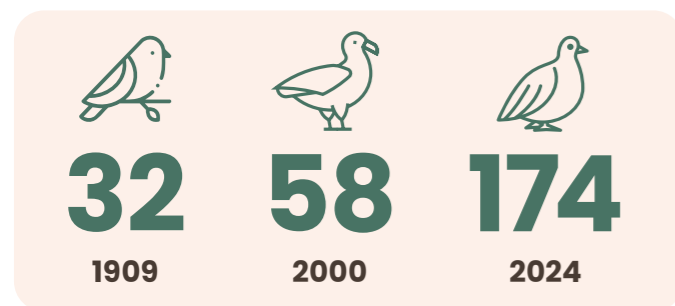


Terrestrial Biodiversity

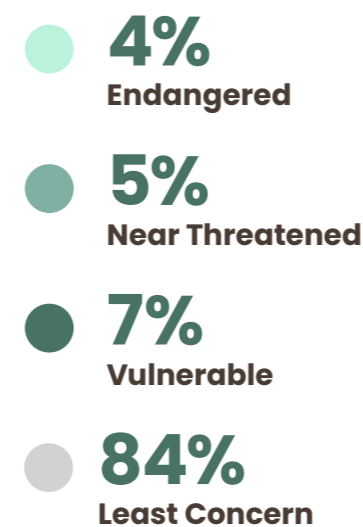
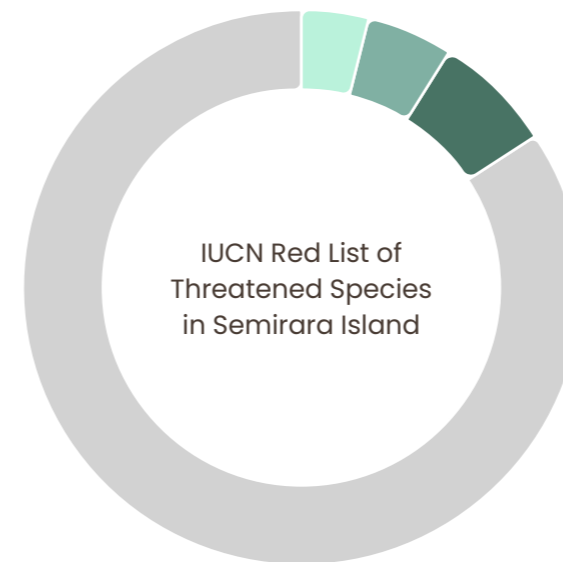
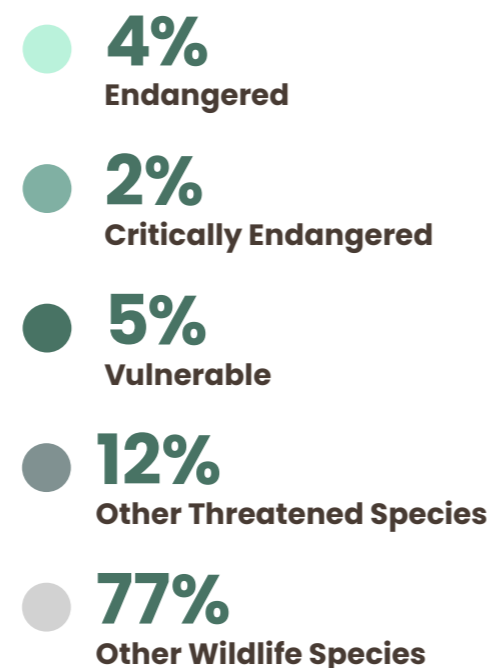
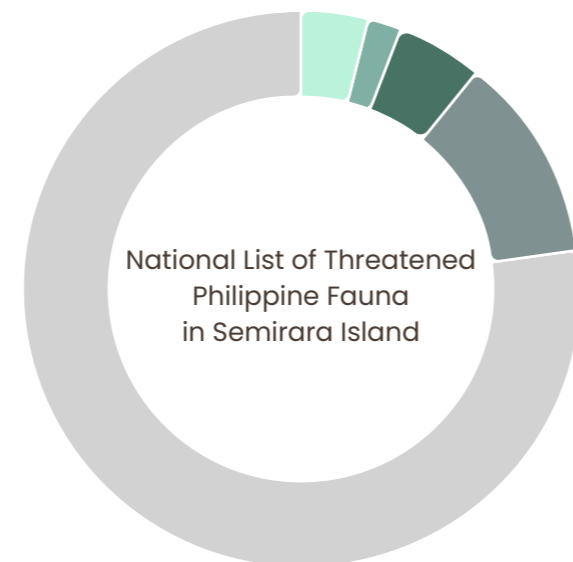
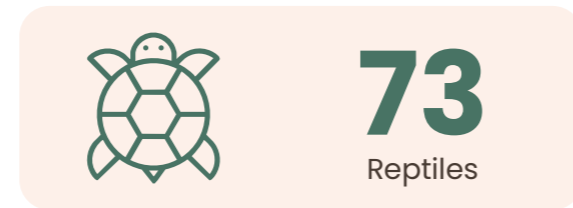
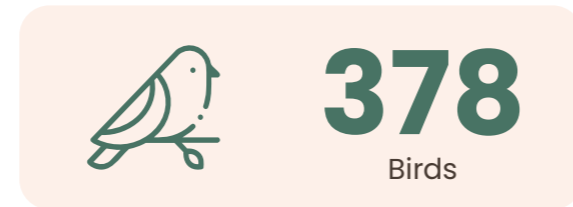
Established in 2018, the Semirara Biodiversity Conservation Center (SBCC) serves as a wildlife hub on Semirara Island, rehabilitating vulnerable animals from Mindoro and Western Visayas. Known locally as the "Aviary," it also hosts wildlife and biodiversity awareness campaigns and educational tours. SBCC also actively collaborates with local communities and governments to promote the conservation of terrestrial resources and ensure sustainable management practices.

We conduct dry and wet season assessment of terrestrial biodiversity with the help of a third-party consultant. Such assessments are necessary to monitor the overall diversity of terrestrial wildlife in nearby areas of our operations. Our conservation efforts are clearly effective, as evidenced by the high biodiversity within Semirara Island.

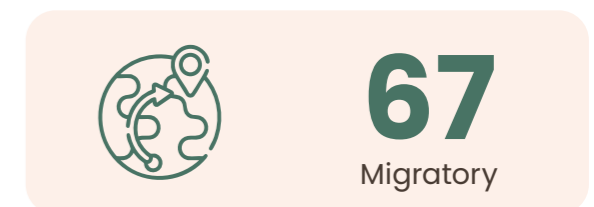
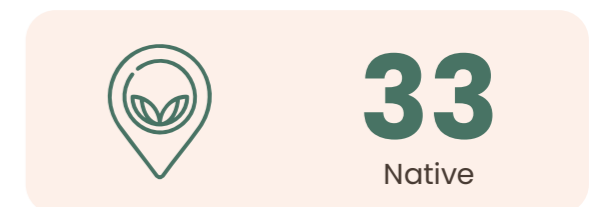
Bird Species' Presence in Semirara Island



Fauna Taken Cared of by SBCC



Geographic Distribution of Fauna Observed in Semirara Island



Observed Fauna Presence in Semirara Island

Common Name	Scientific Name	Endemicity	Conservation Status	
			IUCN Red List	National Conservation List ¹
Plain Bush-Hen	<i>Amaurornis olivaceus</i>	Endemic	Least Concern	Other Wildlife Species
White Breasted Waterhen	<i>Amaurornis pheoniceus</i>	Native	Least Concern	Other Wildlife Species
Philippine Duck	<i>Anas luzonica</i>	Endemic	Vulnerable	Vulnerable
Asian Glossy Starling	<i>Aplonis panayensis panayensis</i>	Native	Least Concern	Other Wildlife Species
Great Egret	<i>Ardea alba</i>	Migratory	Least Concern	Other Wildlife Species
Intermediate Egret	<i>Ardea intermedia</i>	Migratory	Least Concern	Other Wildlife Species
Purple Heron	<i>Ardea purpurea manilensis</i>	Native	Least Concern	Other Wildlife Species
White-Breasted Wood-Swallow	<i>Artamus leucorhynchus</i>	Native	Least Concern	Other Wildlife Species
Dog-Tooth Cat Snake	<i>Boiga cynodon</i>	Native	Least Concern	Other Threatened Species
Philippine Eagle Owl	<i>Bubo philippensis philippensis</i>	Endemic	Vulnerable	Endangered
Eastern Cattle Egret	<i>Bubulcus coromandus</i>	Migratory	Least Concern	Other Wildlife Species
Little Heron	<i>Butorides striata</i>	Native	Least Concern	Other Wildlife Species
Nicobar Pigeon	<i>Caloenas nicobarica nicobarica</i>	Native	Near Threatened	Endangered
Philippines Coucal	<i>Centropus viridis mindorensis</i>	Endemic	Least Concern	Other Wildlife Species
Lesser Coucal	<i>Centropus bengalensis Philippinensis</i>	Native	Least Concern	Other Wildlife Species
Emerald Dove	<i>Chalcophaps indica indica</i>	Native	Least Concern	Other Wildlife Species
Lady Amherst's Pheasant	<i>Chrysolophus amherstiae</i>	Exotic	Least Concern	Other Wildlife Species



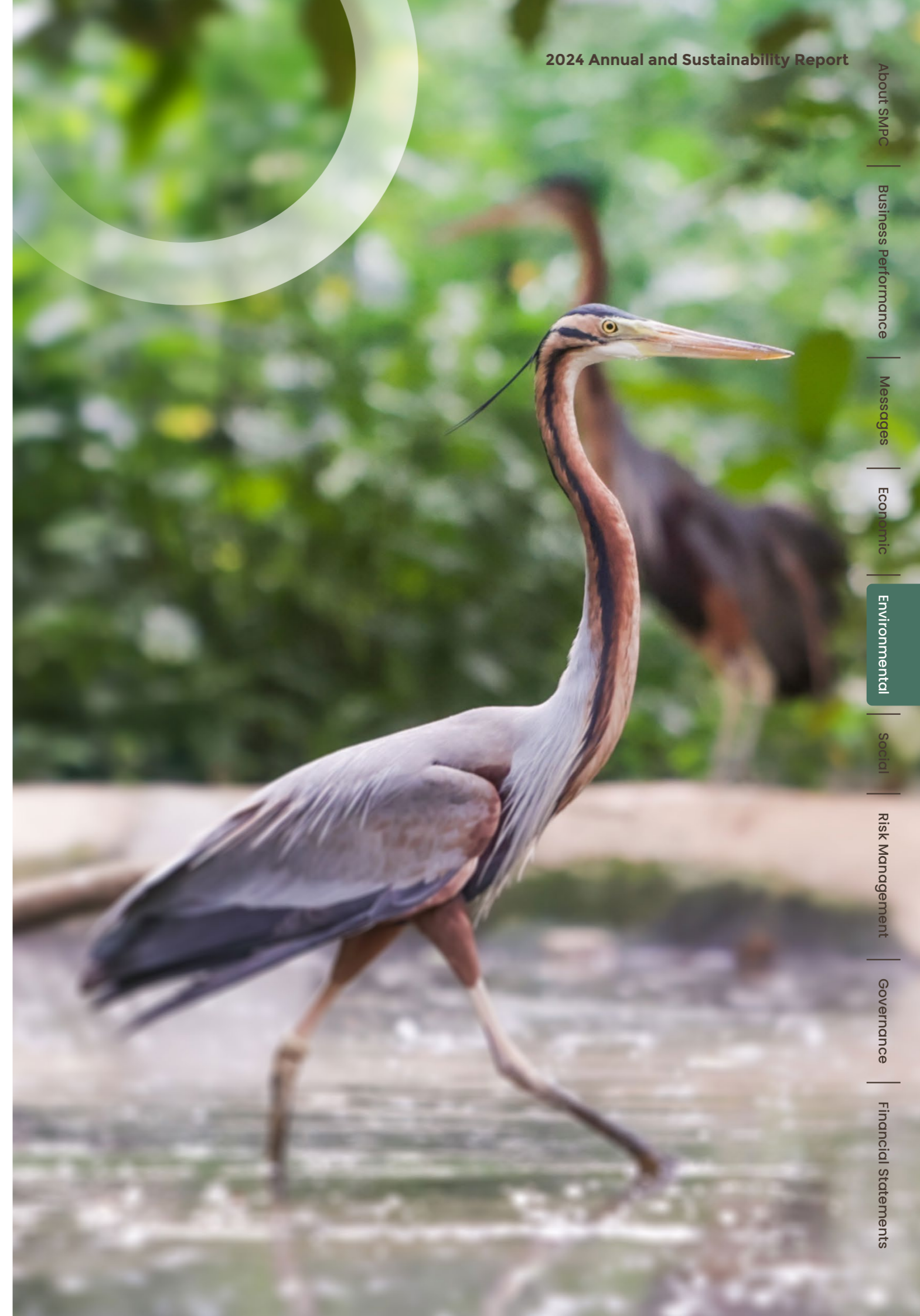


Observed Fauna Presence in Semirara Island

Common Name	Scientific Name	Endemicity	Conservation Status	
			IUCN Red List	National Conservation List ¹
Golden Pheasant	<i>Chrysolophus pictus</i>	Exotic	Least Concern	Other Wildlife Species
Philippine Paradise Snake	<i>Chrysopelea paradisi variabilis</i>	Endemic	Least Concern	Other Wildlife Species
Philippine Red-Tailed Rat Snake	<i>Coelognathus erythrurus</i>	Native	Least Concern	Other Threatened Species
Large-Billed Crow	<i>Corvus macrorhynchos</i>	Native	Least Concern	Other Wildlife Species
Philippine Hawk Cuckoo	<i>Cuculus pectoralis</i>	Endemic	Least Concern	Other Wildlife Species
Philippine Box Turtle	<i>Cuora philippinensis</i>	Endemic	Endangered	Other Threatened Species
Wandering Whistling Duck	<i>Dendrocygna arcuata arcuata</i>	Native	Least Concern	Other Wildlife Species
Common Koel	<i>Eudynamys scolopacea mindanensis</i>	Native	Least Concern	Other Wildlife Species
Little Egret	<i>Egretta garzetta</i>	Migratory	Least Concern	Other Wildlife Species
Red Junglefowl	<i>Gallus gallus</i>	Native	Least Concern	Other Wildlife Species
Mindoro Narrow-Disc Gecko	<i>Gekko mindorensis</i>	Endemic	Least Concern	Other Wildlife Species
Green Rat Snake	<i>Gonyosoma oxycephalum</i>	Native	Least Concern	Other Threatened Species
Ruddy Kingfisher	<i>Halcyon coromanda major</i>	Migratory	Least Concern	Other Wildlife Species
Barred Rail	<i>Hypotaenidia torquata</i>	Native	Least Concern	Other Wildlife Species
Green Iguana	<i>Iguana iguana</i>	Exotic	Least Concern	Other Wildlife Species
Cinnamon Bittern	<i>Ixobrychus cinnamomeus</i>	Native	Least Concern	Other Wildlife Species
Wolf Snake	<i>Lycodon capucinus</i>	Native	Least Concern	Other Wildlife Species

Observed Fauna Presence in Semirara Island

Common Name	Scientific Name	Endemicity	Conservation Status	
			IUCN Red List	National Conservation List ¹
Long-Tailed Macaque	<i>Macaca fascicularis</i>	Native	Endangered	Other Wildlife Species
Philippine Cuckoo Dove	<i>Macropygia tenuirostris</i>	Native	Least Concern	Other Wildlife Species
Reticulated Python	<i>Malayopython reticulatus</i>	Native	Least Concern	Other Threatened Species
Northern Bobook	<i>Ninox japonica</i>	Migratory	Least Concern	Other Wildlife Species
Mindoro Hawk-Owl	<i>Ninox mindorensis</i>	Native	Vulnerable	Vulnerable
Changeable Hawk-Eagle	<i>Nisaetus cirrhatus</i>	Native	Least Concern	Other Wildlife Species
Rufous Night Heron	<i>Nycticorax caledonicus</i>	Native	Least Concern	Other Wildlife Species
Black Crowned Night Heron	<i>Nycticorax nycticorax</i>	Native	Least Concern	Other Wildlife Species
King Cobra	<i>Ophiophagus hannah</i>	Native	Vulnerable	Other Threatened Species
Black-Naped Oriole	<i>Oriolus chinensis chinensis</i>	Native	Least Concern	Other Wildlife Species
Mantanani Scops Owl	<i>Otus mantananensis</i>	Native	Least Concern	Vulnerable
Blue Indian Peafowl	<i>Pavo cristatus</i>	Exotic	Least Concern	Other Wildlife Species
White-Eared Brown Dove	<i>Phapitreron leucotis</i>	Endemic	Least Concern	Other Wildlife Species
Island Flying Fox	<i>Pteropus hypomelanus</i>	Native	Near Threatened	Other Wildlife Species



Observed Fauna Presence in Semirara Island

Common Name	Scientific Name	Endemicity	Conservation Status	
			IUCN Red List	National Conservation List ¹
Coletto	<i>Sarcops calvus melanonotus</i>	Endemic	Least Concern	Other Wildlife Species
Spotted Dove	<i>Streptopelia chinensis chinensis</i>	Native	Least Concern	Other Wildlife Species
Red Footed Booby	<i>Sula sula</i>	Accidental	Least Concern	Other Wildlife Species
Blue-Naped Parrot	<i>Tanygnathu lucionensis</i>	Endemic	Near Threatened	Critically Endangered
White Collared Kingfisher	<i>Todiramphus chloris colaris</i>	Native	Least Concern	Other Wildlife Species
Pink-Necked Green Pigeon	<i>Treron vernans vernans</i>	Native	Least Concern	Other Wildlife Species
Eastern Grass Owl	<i>Tyto longimembris amauronota</i>	Native	Least Concern	Other Wildlife Species
Mindoro Monitor Lizard	<i>Varanus bangonorum</i>	Endemic	Least Concern	Other Threatened Species

¹Updated National List of Threatened Philippine Fauna (DAO 2019-09)

FEATURE STORY

Conservation Efforts Drive Semirara’s Avian Biodiversity


Since its establishment, the Aviary of SMPC or the Semirara Biodiversity and Conservation Center (SBCC) has been the beacon for avian biodiversity in the island through the Rescue, Rehabilitate, Release (3R) Program and the continuous IEC campaign promoting the importance of conservation of Semirara Island’s biodiversity. Presence of bird species in the island has increased from just 32 in 1909 to 174 in 2024, which is the result of SMPC’s biodiversity conservation initiatives and the intensive monitoring within and around the active mining areas.

Despite the perception of mining’s environmental impact, the evolving landscape has unexpectedly created diverse microhabitats, supporting a remarkable increase in avian biodiversity. The island now supports a thriving bird population and home to 12 endemic bird species such as Plain Bush-Hen, Philippine Eagle Owl, Philippine Hawk-Cuckoo and Philippine Duck, all of which can only be found in the Philippines. Semirara has also become a rest-stop for 67 migratory birds like Great Egret, Ruddy Kingfisher and Northern Bobook.



Marine and Coastal Biodiversity

Established in 2010, the Semirara Marine Hatchery and Laboratory (SMHL) plays a crucial role in our marine and coastal biodiversity conservation efforts around Semirara Island. SMHL leads in pioneering work in marine biodiversity with focus in coral reef rehabilitation and giant clam propagation. It is the only privately-managed facility in the country that specializes in the propagation and breeding of giant clams.

 **8 out of 12**
known species
of Giant Clams propagated in SMHL

 **191K**
Giant Clams propagated since 2010




Giant Clam Species Propagated

Common Name	Scientific Name	Conservation Status	
		IUCN Red List	CITES Appendix II ¹
True Giant Clam	<i>Tridacna gigas</i>	Critically Endangered	Endangered
Smooth Giant Clam	<i>Tridacna derasa</i>	Endangered	Endangered
Fluted Giant Clam	<i>Tridacna squamosa</i>	Least Concern	Endangered
Small Giant Clam	<i>Tridacna maxima</i>	Least Concern	Endangered
Crocus Clam	<i>Tridacna crocea</i>	Least Concern	Endangered
Noah's Giant Clam	<i>Tridacna noae</i>	Least Concern	Endangered
Horse's Hoof Clam	<i>Hippopus hippopus</i>	Vulnerable	Endangered
China Clam	<i>Hippopus porcellanus</i>	Vulnerable	Endangered

¹CITES or Convention on the International Trade of Endangered Species of Wild Flora and Fauna is an international agreement between governments. Its aim is to ensure that international trade in specimens of wild animals and plants does not threaten the survival of the species.

Our success in our conservation efforts would not be possible without collaboration with our employees, local communities and government agencies. In 2025, we plan to continue our regular river and coastal clean-ups, working together with the local communities, local government units, and the Department of Environmental and Natural Resources.

 **4**
River Clean-ups

 **4**
Coastal Clean-ups

 **1K kg**
Total Waste Collected

FEATURE STORY

Restoring Semirara Waters

As part of our ongoing reef restoration initiatives, we have installed 30 reef balls in June 3, 2024 around the waters of Tabunan, Semirara Island. Artificial reefs are marine-friendly concrete modules designed to imitate the function of natural reefs.

They are a viable way of promoting coral growth and increasing biodiversity by creating nurseries for fish and other marine animals. We plan to replicate the reef restoration program in other areas on Semirara Island.



Habitat Restoration and Protection 304-3

An important part of our commitment to responsible environmental stewardship is in carefully managing and maintaining the range of flora and fauna habitats on or near our operations. We abide by three principles in our biodiversity efforts - Avoid, Reduce and Transform.

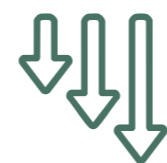


Avoid
Through SBCC and SMHL, our biodiversity programs proactively mitigate potential impacts to the Semirara Island ecosystem.

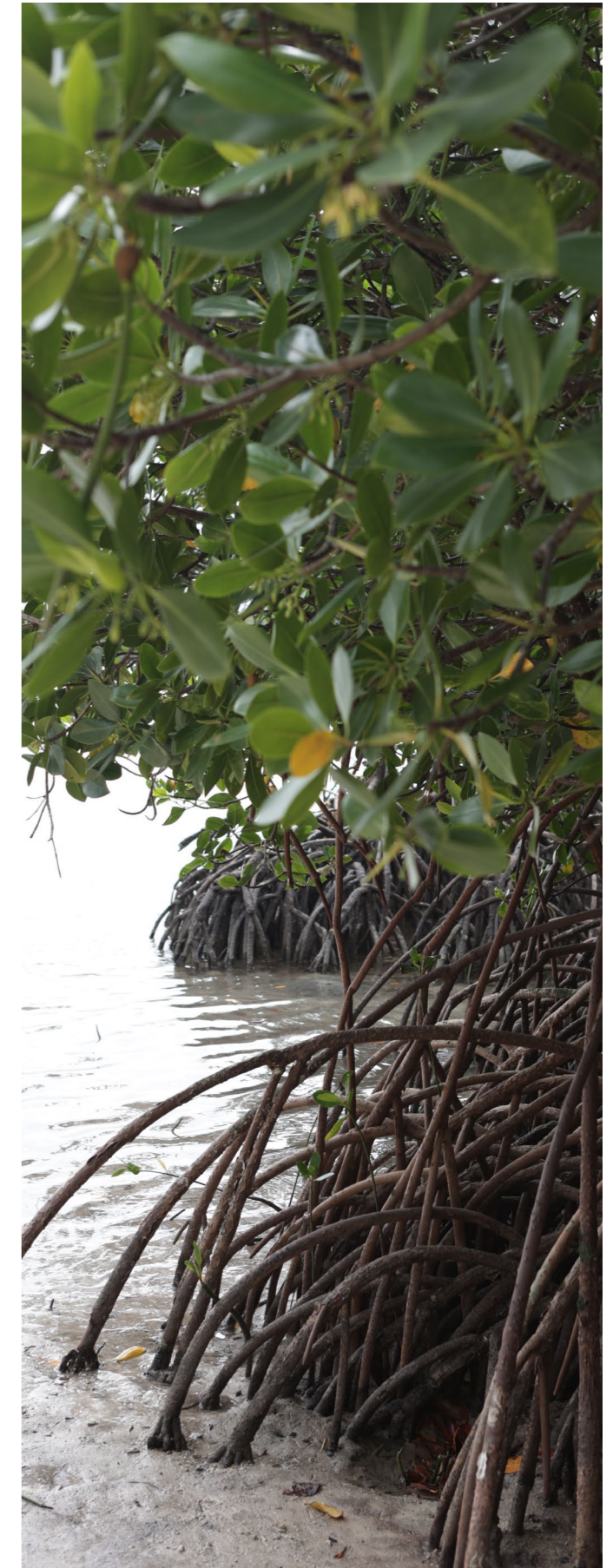


Reduce
We implement progressive mine rehabilitation as a proactive strategy to minimize the environmental impact of our mining operations.

Once areas are mined-out, we commence backfilling to decrease public health and safety hazards. We then conduct tree planting efforts to ensure soil stability and reduce erosion.

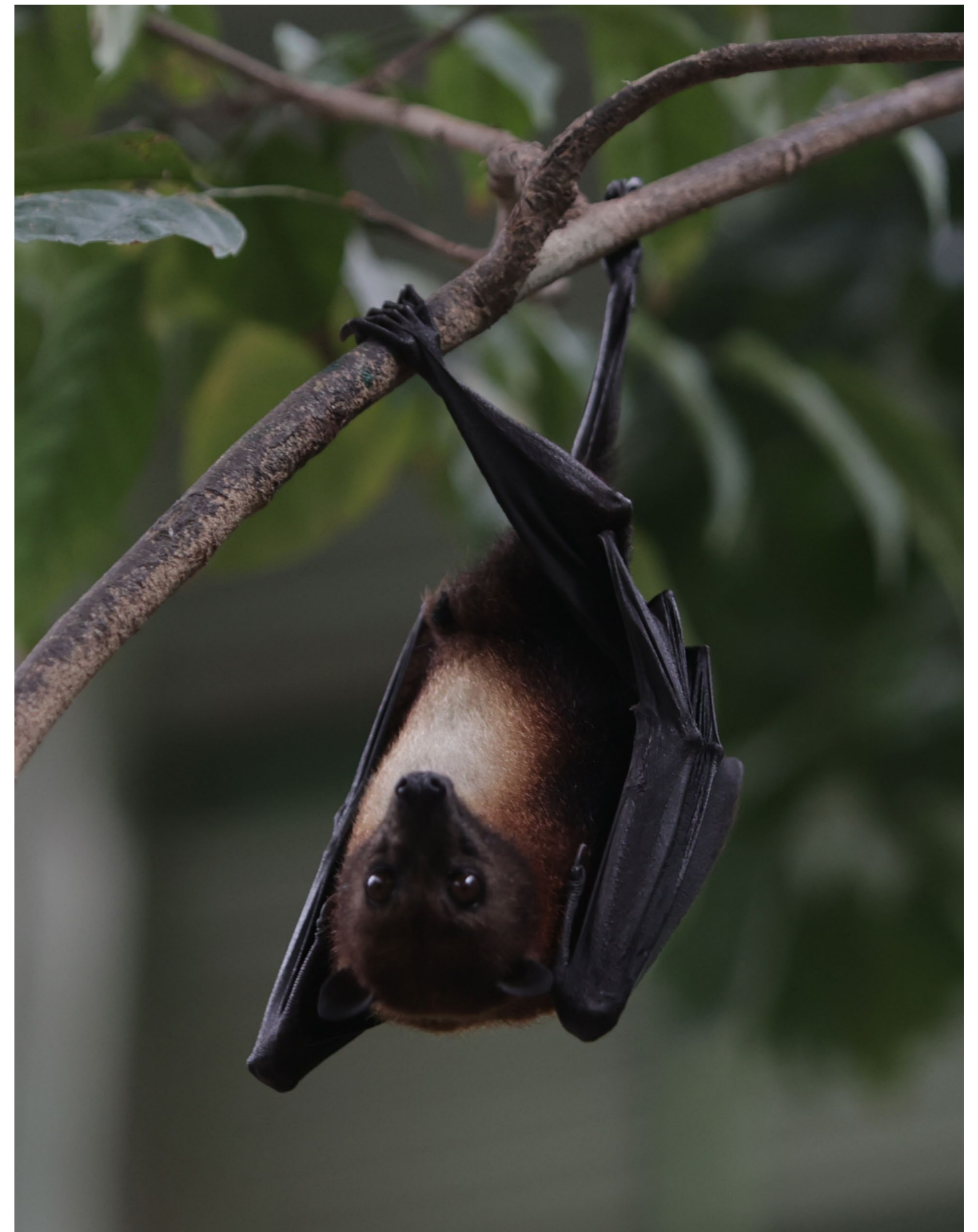


Transform
We believe in restoration that surpasses compliance. We rehabilitate and repurpose the land for productive, sustainable uses that support both the environment and local communities.



Habitats Restored and/or Protected	Area (in hectares)
Semirara Island, Caluya, Antique	
Barangay Tinogboc Marine Protected Area	49
Barangay Alegria Marine Protected Area	87
Barangay Semirara Marine Protected Area	150
Semirara Marine Hatchery and Laboratory (SMHL)	20
Semirara Biodiversity Conservation Center (SBCC)	586
Reforested Areas within Mining Complex	537
Other Reforested Areas within Semirara Island	192
Rehabilitated Mangrove Forests	4
Sub-total	1,609
Calaca and Balayan, Batangas	
Barangay Carenahan Marine Protected Area	7
Dacanlao and Cawong River	0.16*
Adopt-A-Forest Program in Barangay Patugo, Balayan, Batangas	50
Sub-total	57
GRAND TOTAL	1,666

*Approximate area as the adopted riverbank is three kilometers



Water and Effluents

3-3, 303-1, 303-2



Our commitment to responsible water resources management focuses on minimizing our impact on one of the world’s most precious resources. We acknowledge that access to clean water is a fundamental human right.

Our water management practices ensure equitable water supply access to meet the demands in our operations and host communities. We monitor and test water resources regularly to validate the effectiveness of our sustainability practices. Data on water usage is meticulously recorded and monitored. We adhere to rules and regulations governing water use, ensuring compliance with Republic Act No. 9275 (Clean Water Act) and DENR Administrative Order No. 2016-08.

The bulk of our water supply is withdrawn from freshwater bodies such as rivers, springs and ground sources. We also source water impounded and collected in South Panian and Sanglay Lake in Semirara Island, as well as from rainwater collection systems. Much of our water requirements for power plant operations come from our desalination plants.



FEATURE STORY

Safeguarding Our Seas: SCPC and SLPGC Lead Coastal Clean-Up in Batangas

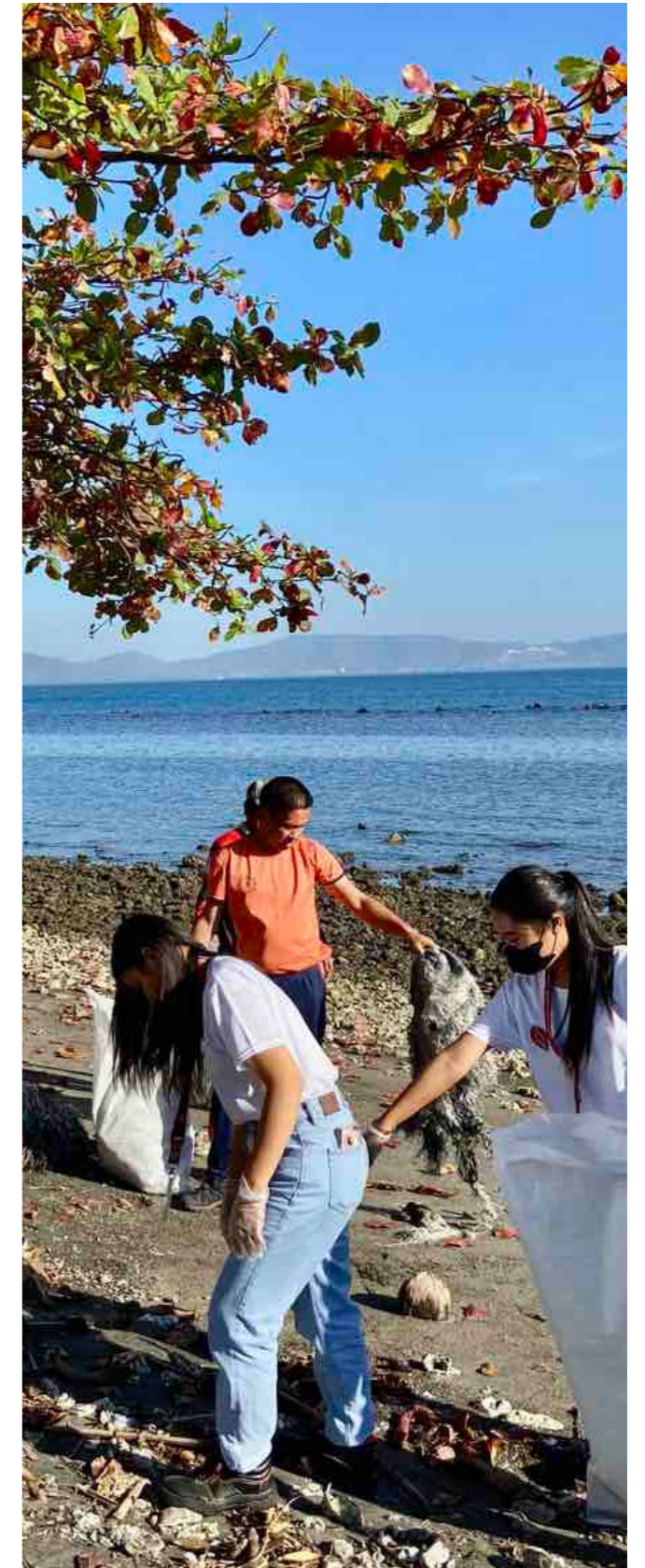
In 2024, SCPC and SLPGC, alongside local government and environmental groups, conducted multiple coastal clean-ups in Balayan, Batangas. These efforts, involving 47 volunteers, raised awareness of the impact of pollution on marine life and ecosystems. SCPC and SLPGC initiated four coastal clean-up activities in 2024 alone to help preserve the community’s marine biodiversity.



105kg
Residual Waste recovered



23kg
Recyclable Waste recovered



Water Withdrawal (in Megaliters) 303-3

Coal	2024	2023	2022
Freshwater	2,474	2,097	2,168
Surface Water	314	1,412	1,497
Bunlao Spring	19	119	193
Sanglay Spring	295	1,294	1,304
Ground Water	230	124	108
Bunlao Well (replaced Bunlao Spring)	130	-	-
Puntod Deep Well	-	-	51
Unong Deep Well	-	-	-
Fresh Water Well No. 6	100	124	57
Alternatively Sourced Water	1,929	560	561
Sanglay Lake	1,926	559	559
Rainwater Collection System	2	0.42	2
Third-Party Provider*	1	2	1
Sea Water	34,139	33,559	36,123
Ilugao Bay	34,139	33,559	36,123

*Includes withdrawal from the corporate office in Makati

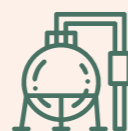
**Water withdrawn passes through the Water Treatment Plant. 50% is converted into demineralized water for boiler use, while the remaining 50% recovery at WTP discharged to Balayan Bay is within the DENR limit.

POWER	2024	2023	2022
Freshwater	663	765	1,343
Surface Water	543	712	1,291
Dacanlao River	543	712	1,291
Ground Water	120	53	52
Gate 4 Well	1	-	-
BRP Well	14	-	-
Raw Water Intake Well	18	-	-
DMCI New Bunkhouse (Chinese Bunkhouse)	75	-	-
Workers Barracks (SBU)	12	-	-
Ground Deep Well	-	53	52
Sea Water	1,334,835	1,140,977	770,852
Balayan Bay**	1,334,835	1,140,977	770,852



3.1K ML

Total freshwater withdrawal



1.9K ML

Freshwater withdrawal from alternative sources

Freshwater Withdrawal Intensity

	Unit	2024	2023	2022
CONSOLIDATED	Megaliters/Billion PHP Revenue	48.11	37	39
COAL	Megaliters/MT Coal produced	0.00016	0.00013	0.00014
POWER	Megaliters/MWh produced	0.00012	0.00016	0.00036

Water Discharge (in Megaliters) 303-4

	Discharge	Location	2024	2023	2022
COAL	Sea Water	Ilugao Bay	33,764.22	33,261.72	35,925.81
	Waste Water*	Sewage	1	1	1
POWER	Sea Water	Balayan Bay	1,334,835	1,140,977	770,852

*Discharge from the Corporate Office in Makati

Water Effluents Management

We ensure that any and all potential adverse water impacts from our operations are well managed and mitigated. Through the pollution control facilities set in place, water effluent and discharge are compliant and within the limits set by Clean Water Act (Republic Act No. 9275) and Water Quality Guidelines (DENR Administrative Order No. 2016-08), and the requirements set by the DENR-Environmental Management Bureau.

Potential Impact	Pollution Control	Quality Monitoring
Siltation	Pocket sumps ¹ , settling ponds, and sedimentation ponds	Effluent Quality Monitoring
Oil-contaminated effluent	Oil-water separators	
Chemical-contaminated effluent	Neutralization pond ²	Ambient Water Quality Monitoring
Sanitary and domestic wastewater	Septage treatment plant	

Water Consumption (in Megaliters) 303-5

	2024	2023	2022
COAL	2,848	2,393	2,364
POWER	663	765	1,343
TOTAL	3,511	3,158	3,707

Water Consumption Intensity

	Unit	2024	2023	2022
COAL	Megaliters/MT Coal produced	0.00018	0.00011	0.00015
POWER	Megaliters/MWh produced	0.00012	0.00016	0.00036



¹Practiced by the coal segment in Semirara Island

²Practiced by the power segment in Calaca, Batangas. We conduct monthly in-house monitoring of effluent and ambient water quality, while quarterly third-party laboratory sampling and testing is conducted in accordance with the National Water Quality Guidelines. There have been no exceedances in any of the parameters monitored nor were there any oil spill incidents in 2024.

FEATURE STORIES

SCPC Earns Consecutive Recognition for Waterway Conservation

For the past two years, SCPC has been recognized by the Environmental Management Bureau for their active participation in the “Adopt-an-Estero” or water body program. The program is a collaborative undertaking between the estero community, donor partners and government agencies with the aim to clean esteros in the active communities.

This recognition demonstrates SCPC’s commitment to advancing a healthier and cleaner environment, highlighting the importance of partnerships and collaborations to help keep local waterways clean and sustainable.



Bulktrainer Units Provided to Local Schools

We are committed to fostering a lasting partnership with our host communities in safeguarding and nurturing the environment, particularly in the area of water conservation. In 2024, we supported this effort by providing a water tank to Baclaran Elementary School and bulk storage units to Tinogboc National High School to help address their water supply needs.



80

Bulktrainer units donated to 16 schools in Caluya



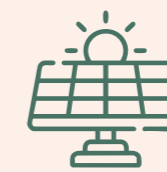
10

Bulktrainer units donated to Tinogboc National High School



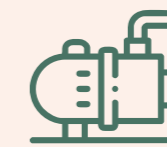
SMPC Builds Solar-powered Water Pump System

In April 2024, we turned over a solar-powered water pump system to Sitio Bunlao, Barangay Alegria in Caluya, Antique. This system was built with a base pumping capacity of 25 m3 per hour, providing the community with a stable water source especially during the dry season. To support long-term sustainability, SMPC also conducted an orientation for residents on the system’s proper maintenance.



40

450-watt Solar Panels



303

Beneficiaries



Waste Management

3-3, 306-1, 306-2



Responsible waste management is essential to minimizing our environmental footprint and advancing a circular economy. By actively monitoring and managing our waste streams, we are able to reduce waste generation, increase recycling rates, and ensure that the materials we dispose of are handled in the most sustainable way possible.

Our power operations efficiently manages and repurposes coal fly ash and bottom ash, which contributes to a circular economy.



Coal Fly and Bottom Ash Utilization for Beneficial Use



628K MT
Total Fly Ash Generated



280K MT
Total Bottom Ash Generated



461K MT
Total Fly Ash Utilized



251K MT
Total Bottom Ash Utilized

Workplace Waste Management 306-2



Coded trash bins promote waste segregation



Recyclables are collected in Materials Recovery Facilities (MRF) and sold to recyclers.



Composting facility for biodegradable materials

Overall Waste Management (MT) 306-3

	Coal	Power	Total
Hazardous	2,598	60	2,658
Non-hazardous	1,674	4 + 120*	1,678 + 120*
Diverted from disposal	3,487	63	3,550
Directed to disposal	786	0.64 + 120*	786 + 120*

*in cubic meters

Waste Diverted from Disposal (MT) 306-4

	Coal	Power	Total
Hazardous	2,598	60	2,658
Preparation for reuse	0	0	0
Waste Oil	2,598	0	2,598
Recycling	0	60	60
Other recovery options:	0	0	0
Non-hazardous	888	4	892
Preparation for reuse	0	0	0
Recycling	136	4	140
Composting	752	0	752
Other recovery options:	0	0	0

Waste Directed to Disposal (MT) 306-5

	Coal	Power	Total
Hazardous	0	0.64	0.64
Incineration (with energy recovery)	0	0	0
Incineration (without energy recovery)	0	0	0
Landfilling	0	0.64	0.64
Other disposal operations:	0	0	0
Non-hazardous	786	120*	786 + 120*
Incineration (with energy recovery)	0	0	0
Incineration (without energy recovery)	0	0	0
Landfilling	786	120*	786 + 120*
Other disposal operations:	0	0	0

*In cubic meters

Non-Hazardous Waste Generated

	Coal	Power	Total
Total residual waste	676	30	706
Total biodegradable waste	752	-	752
Total recyclable waste	136	4	140

FEATURE STORY

Driving Local Action for Waste Management

On March 9, 2024, SCPC and SLPGC distributed 10 garbage drums to Brgy. Loma and Brgy. Puting Kahoy in Calaca City as part of their “NASa Imis Ganda: A Character City Clean and Green Program.”

This initiative was carried out in collaboration with Calaca’s City Environmental and Natural

Resources Office (CENRO) to support local waste management efforts.

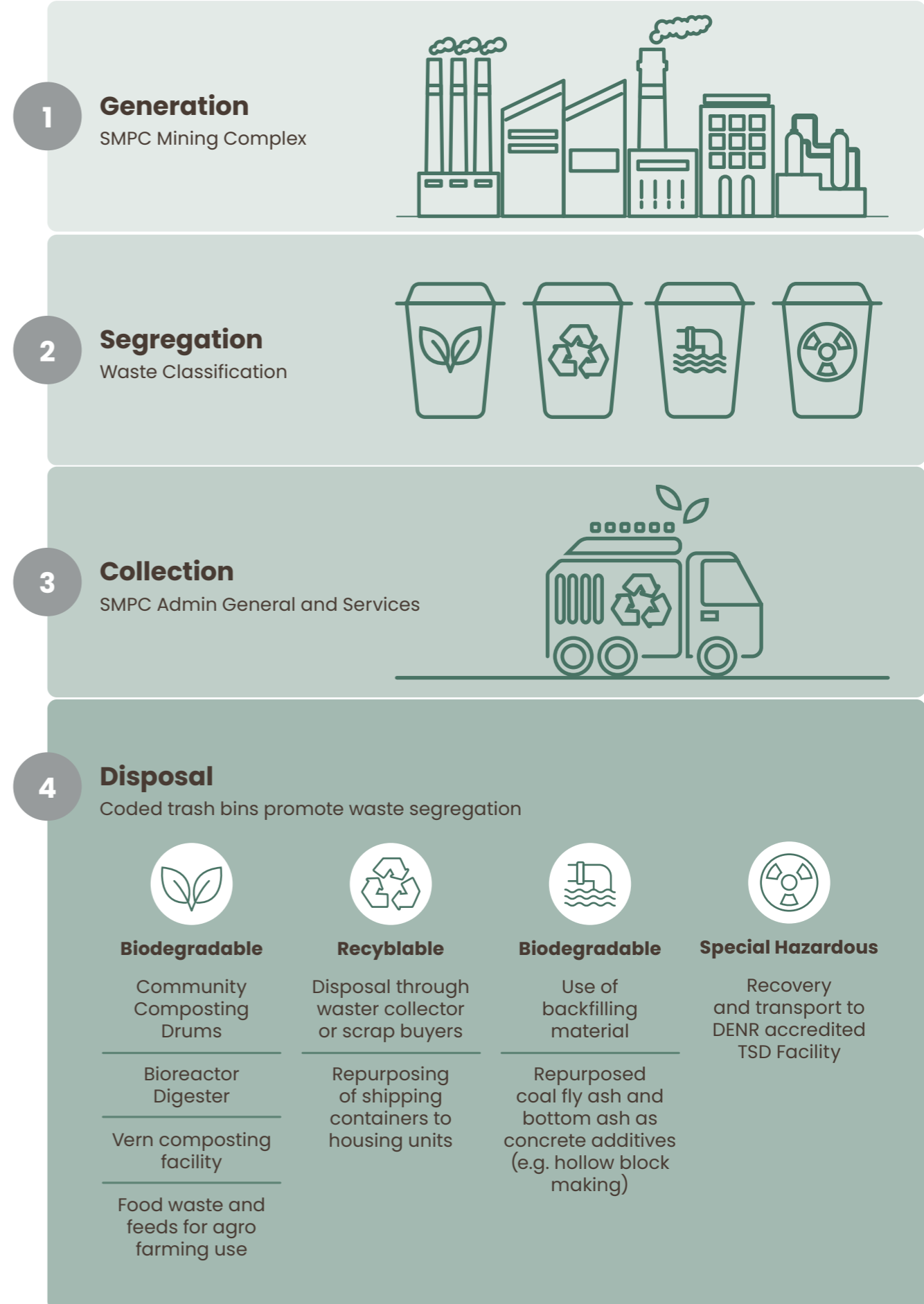
This grassroots-level engagement actively involves local communities and helps build a stronger sense of environmental responsibility.



Adopting the four Rs (Reduce, Reuse, Repurpose, Recycle)

We aim to minimize waste, conserve resources, and foster a circular economy in our operations. We adhere to the principles of the Four R's – Reduce, Reuse, Repurpose, and Recycle – across our business practices. We are focused on recycling industrial byproducts, notably fly ash and bottom ash,

which are generated through our energy production processes. By reprocessing and repurposing these materials, we reduce landfill waste and create valuable secondary products that can be used in construction, cement production, and other industries.



Air Emissions

3-3, 305



Our commitment to environmental responsibility drives our ongoing efforts to monitor, control, and reduce pollutants generated by our operations. These include sulfur oxides (SOx), nitrogen oxides (NOx), particulate matter, carbon monoxide, and other hazardous substances such as mercury, cadmium, arsenic, and lead. These pollutants can have adverse effects on both public health and the environment, which is why we

prioritize effective emissions management. Our equipment for controlling particulate matter and pollutants includes electrostatic precipitators, limestone injections, wet scrubbers, cyclone separators, and covered coal yards. For our mining operations, we manage fugitive emissions, by using watering sprinklers, dust suppressors, mobile water trucks, and atomizers.



Coal

305-7

To meet the energy needs of operating the largest open-pit mine in the country, we manage three thermal power plants and two generator sets. Our stationary pollution sources include these power plants, coal stockyards, and mining equipment. To mitigate environmental impact, we implement effective controls and best practices, including robust air quality monitoring.

Pollutant	Prevention at Source	Air Emission Control	Air Quality Monitoring
SOx	Circulating Fluidized Bed (CFB) technology Low sulfur fuel	Flue gas desulfurization Limestone injection	Continuous Emissions Monitoring System (CEMS) Stack Emission Monitoring Ambient Air Quality Monitoring Data Acquisition and Handling System (DAHS) CCTV Monitoring
NOx	CFB Technology		
Particulate matter (including fugitive dust)	Covered coal yard and conveyor lines Water sprinkler Mobile water trucks Atomizers	Filter bags Cyclone separator Electrostatic precipitator	

Power

305-7

We keep our host communities informed about our power plant startup schedules, potential impacts, and mitigation measures through timely communication. Additionally, we conduct facility inspections and engage in dialogues with key stakeholders to address any community concerns.

Pollutant	Prevention at Source	Air Emission Control	Air Quality Monitoring
SOx	Circulating Fluidized Bed (CFB) technology Low sulfur fuel	Flue gas desulfurization Limestone injection	Continuous Emissions Monitoring System (CEMS) Stack Emission Monitoring Ambient Air Quality Monitoring Data Acquisition and Handling System (DAHS) CCTV Monitoring
NOx	Circulating Fluidized Bed (CFB) technology Using low NOx burners Tangential firing system		
Particulate matter (including fugitive dust)	Covered coal yard and conveyor lines Using low ash coal	Flue gas desulfurization Limestone injection	

GHG Emissions

3-3, 305-1, 305-2, 305-3



We measure, reduce, and manage greenhouse gas (GHG) emissions across our operations. We recognize the critical role that GHG emissions play in global warming and environmental degradation, and we are focused on minimizing our carbon footprint through efficient energy use, cleaner technologies, and operational improvements.

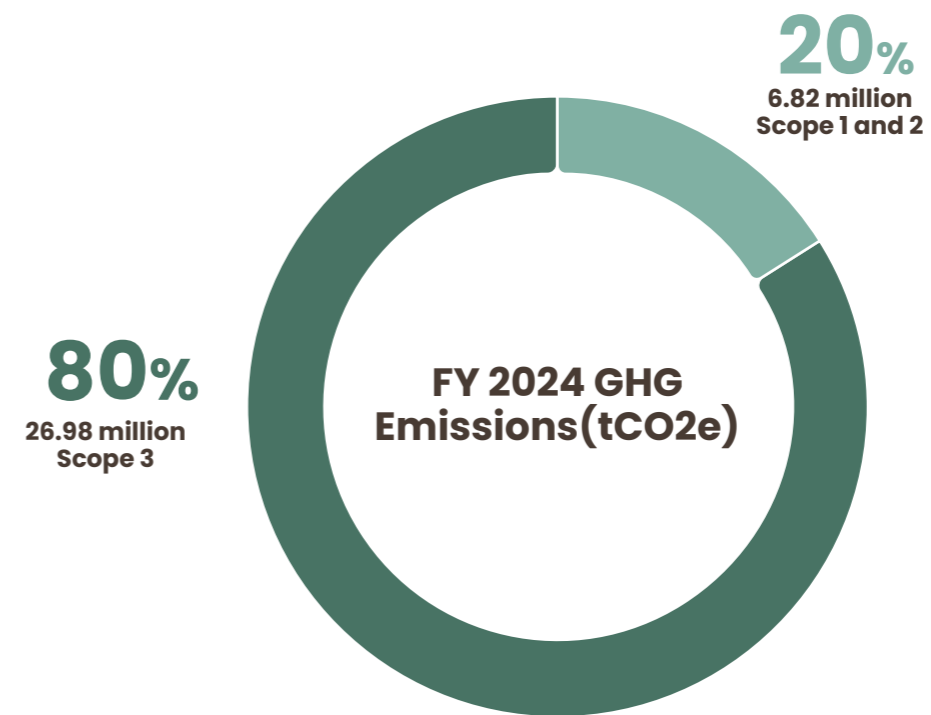
In this section, we detail the sources of our emissions, the strategies we've implemented to reduce them, and our progress toward meeting international climate goals. By embedding climate awareness into our emissions management framework, we are able to balance energy requirements with a strong commitment to environmental responsibility.

In 2024, our total scope emissions amounted to 33.8 million metric tons CO₂e – reducing over 48,000 tCO₂ or 12% emissions from the year prior. This was driven by the continued implementation of our effective Energy Efficiency and Conservation (EEC) projects, across our power segment's thermal power plant units, yielding increased cost savings and operational efficiency across our facilities. Additionally, we refined our GHG methodology to correctly account for SCPC and SLPGC's coal consumption, which has now made our GHG measurement more precise.

GHG Emission Accounting

Our GHG emission quantification adheres to recognized methodologies from ISO 14064-01:2018, the Greenhouse Gas (GHG) Protocol, IPCC Guidelines, and Ambient and Source Emissions Standards. Emission factors and global warming potential (GWP) rates are

derived from the IPCC's Sixth Assessment Report, the GHG Protocol, and the U.S. Environmental Protection Agency. This approach ensures accurate estimates of our organizational carbon footprint and value chain impact.



By segment

We observed an increase in direct emissions for both coal and power segments for FY 2024. This is attributed to the continued reliability of our operations, which maintained

steady productivity from the previous year. Additionally, we refined our GHG methodology to more accurately account for SCPC and SLPGC's coal consumption.

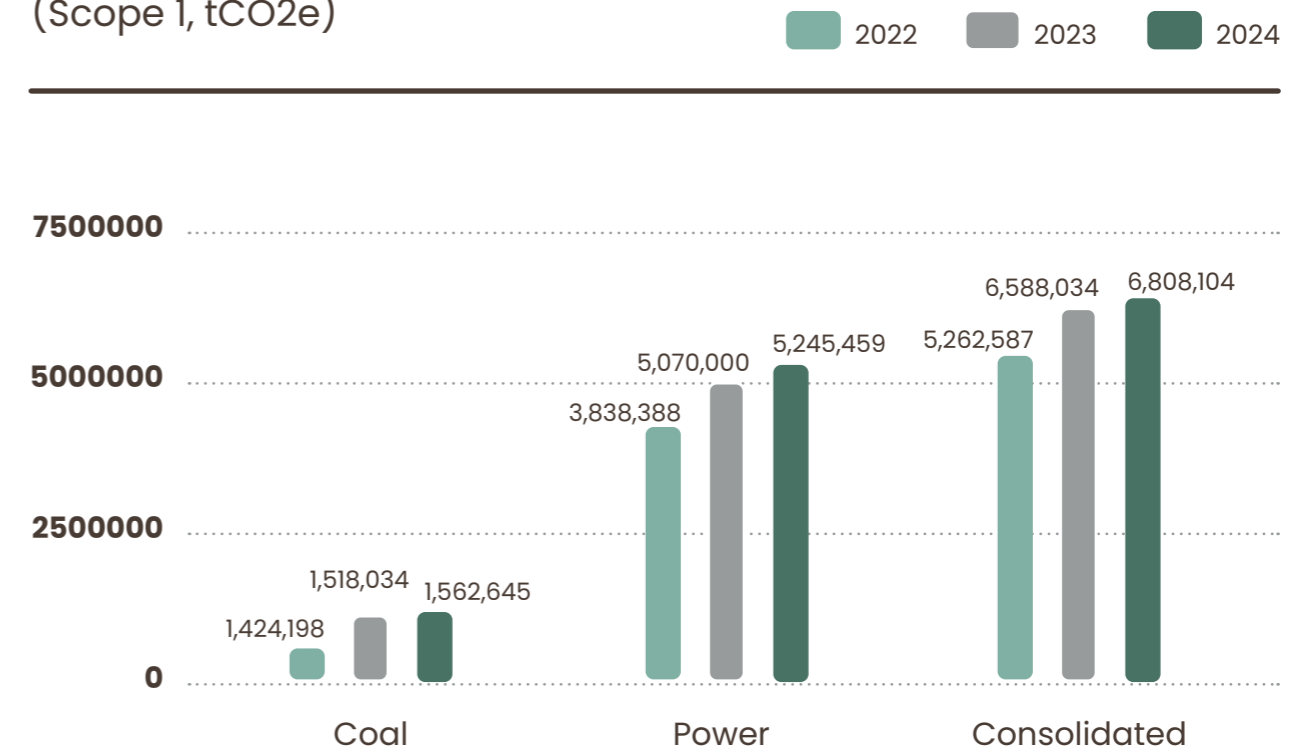
Coal	Units	2024	2023	2022
Scope 1*	tCO ₂ e	1,562,646	1,518,034	1,424,199
Scope 2 (location-based)**	tCO ₂ e	312	318	305
Scope 2 (market-based)**	tCO ₂ e	312	318	305

Power	Units	2024	2023	2022
Scope 1	tCO ₂ e	5,245,459	5,070,000	3,838,388
Scope 2 (location-based)	tCO ₂ e	11,804	7,032	28,717
Scope 2 (market-based)	tCO ₂ e	11,804	7,032	28,717

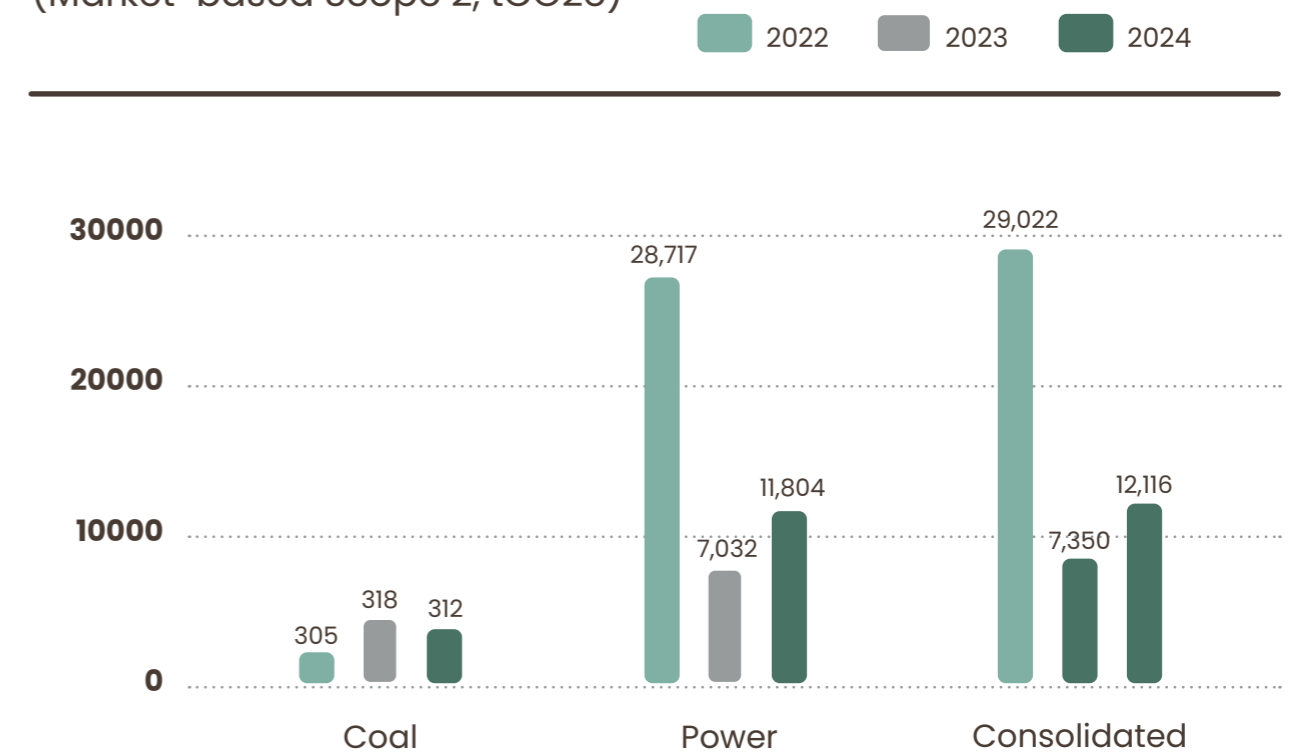
*Includes Scopes 1 emission data from the corporate office in Makati

**Scope 2 emission data from the corporate office in Makati

Direct Greenhouse Gas Emissions (Scope 1, tCO₂e)



Indirect Greenhouse Gas Emissions (Market-based Scope 2, tCO₂e)



Emission Sources

	Scope 1							Scope 2
	CO2	CH4	N2O	HFCs	PFCs	SF6	NF3	Purchased electricity
Coal	✓	✓	✓	✓	X	X	X	✓
Power	✓	✓	✓	✓	X	X	X	✓

GHG Emissions Intensity 305-4

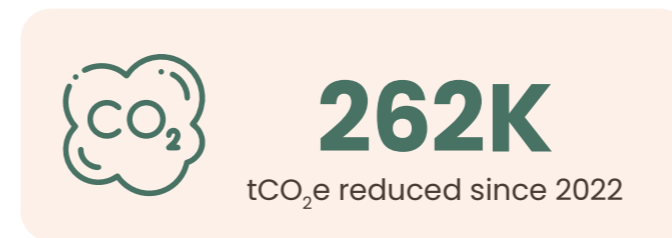
	Units	2024	2023	2022
Consolidated	tCO ₂ e / Billion revenue	104,605	85,832	57,491
Coal	tCO ₂ e / Ton of coal produced	0.10	0.09	0.09
Power	tCO ₂ e / MWh produced	0.98	1.04	1.03

*Includes Scopes 1 emission data from the corporate office in Makati

** Scope 2 emission data from the corporate office in Makati

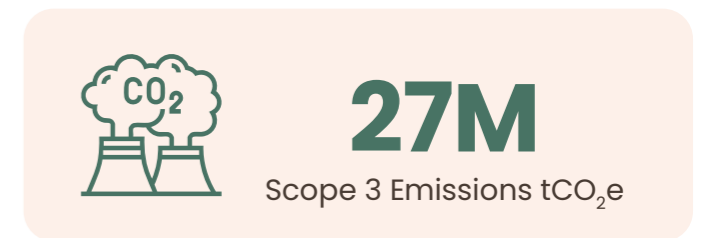
Reduction of GHG Emissions 305-5

GHG reductions are driven by the ongoing implementation of Energy Efficiency and Conservation (EEC) programs. Following the successful installation of a Low Vacuum Economizer (LVE) for SCPC’s Unit 1 in 2023, the same technology was applied to Unit 2, resulting in a reduction of 29,559 tCO₂e.



Scope 3 Emissions

Our Scope 3 emissions for 2024 totaled 26.98 million tCO₂e. This figure reflects a significant decrease after refining our methodology to eliminate double counting of SCPC and SLPGC coal consumption under both Scopes 1 and 3. By ensuring accurate classification, we have enhanced the precision of our emissions reporting. This is in alignment with the IFRS S2 requirements in GHG reporting.



Land Use

3-3, 304-1



SMPC strives to create an environment that integrates our current land use with sustainable practices within the areas where we operate. We are committed to ensuring that our land use near mining operations does not impact local communities.

Underscoring our dedication to responsible land use, we successfully completed the Philippines' largest and fastest open-pit mine rehabilitation following Panian mine's closure in 2016. Today, Panian is a biodiversity hub, boasting over 445,000 trees and an array of bird species.

Through innovative rehabilitation efforts, we aim to restore biodiversity, improve soil quality, and repurpose these lands for sustainable uses, such as agriculture and community development.



586 ha

Mine area rehabilitated



161 ha

Mangrove area reforested

Mine Rehabilitation and Restoration Overburden management

(In million, Bank Cubic Meters, BCM)

Mineral Waste	2024	2023	2022
Waste generated (i.e., Volume of overburden removed)	226	209	158
Waste diverted from disposal (i.e., In-pit, road resurfacing, sea barrier)	153	180	129
Waste directed to disposal (i.e., North Panian)	73	30	28

FEATURE STORY

SMPC Plants 80 Fruit Trees for Environment Month

In June 2024, SMPC concluded its Environment Month celebration by planting 80 fruit-bearing trees at the rehabilitated South Panian site on Semirara Island, Caluya, Antique. The Panian pit was closed in September 2016 after its mineable coal reserves were fully depleted.

SMPC completed the South Panian rehabilitation plan in under two years, a process that was initially projected to take five to ten years.

The activity saw 134 SMPC volunteers planting fruit-bearing trees for a greener and more sustainable future.



Materials

3-3, 301-1



Sustainability at SMPC is built on the principle of efficient and responsible resource use throughout our operations. By optimizing material consumption, we aim to reduce our environmental footprint while maintaining operational effectiveness. This section highlights our approach to managing key materials, including coal, fuel, and other critical inputs, and outlines the strategies we implement to ensure their sustainable use.

Under the DOE’s Coal Operating Contract No. 5, we are authorized to prudently explore, develop, and extract coal resources on

Semirara Island. In addition, our power plants utilize gasoline and diesel as additional support to its operations and the electricity needs of the communities.

Our power segment maintains the bare minimum of coal needed to satisfy market needs in order to guarantee secure material storage. This method reduces risks, stops spontaneous combustion, and manages waste. In order to fulfill operational requirements and minimize supply chain interruptions, diesel and gasoline are kept at our limited fuel depot on Semirara Island.

Materials Used by Weight or Volume

	Unit	Description	2024	2023	2022
Renewable	metric tons / liters	None	0	0	0
Non-renewable	In million metric tons	Coal, light and heavy oil, limestone, hydrazine hydrate, and liquefied petroleum gas (LPG)	4	4	3
	in millions, liters	Diesel and gasoline	254	255	222
Total			258	259	225



Energy

3-3



Energy conservation and management are essential to our operations. Our main energy sources—fuel, diesel, gasoline, and electricity—are continuously monitored and undergo internal audits to ensure compliance with ISO standards. By closely monitoring and analyzing our energy consumption, we are able to identify trends, set clear performance targets, and implement innovative solutions that enhance operational efficiency.



Energy Consumption

302-1

Coal

Renewable energy consumption (GJ)*			
	2024	2023	2022
Solar	1,807	0	0
Total renewable energy consumption	1,807	0	0
Non-renewable energy consumption (GJ)			
Gasoline consumption	799	644	618
Diesel consumption	8,490,819	8,356,584	7,309,664
Coal consumption	2,324,390	2,403,183	2,606,071
Total non-renewable energy consumption	10,816,008	10,760,411	9,916,353
Electricity (GJ)			
Electricity generated	612,582	630,496	730,900
Electricity consumption**	1,617	1,607	1,540
Electricity Sold (GJ)	0	17,556	18,788

*Started using solar-powered flood light for mine operations in 2024

**Purchased electricity consumption data from the Makati Head Office

Power

Renewable energy consumption (GJ)*			
	2024	2023	2022
Total renewable energy consumption	0	0	0
Non-renewable energy consumption (GJ)			
Diesel consumption	11,128	11,130	14,330
Coal consumption	19,287,396	17,603,593	13,438,116
Total non-renewable energy consumption	19,298,524	17,614,723	13,452,446
Electricity (GJ)			
Electricity generated	19,286,860	17,564,761	13,361,817
Electricity consumption	1,673,252	1,494,097	1,164,619
Electricity Sold	17,802,000	16,254,000	12,944,515

Consolidated

	Coal	Power	SMPC
Renewable energy (GJ)	1807	0	1807
Non-renewable energy (GJ)	10,816,008	19,298,524	30,114,532
Electricity consumed (GJ)	1,617.3	1,673,252	1,674,869
Electricity Sold (GJ)	0	17,802,000	17,802,000
Total energy consumption (GJ)	10,819,433	3,169,776	13,989,208

Energy consumption outside of the organization (GJ)
302-2

	2024	2023	2022
Purchased electricity resold	10.34	11.07	6.74

Energy Intensity
302-3

	2024	2023	2022
Energy intensity (GJ/Ton) (Coal)	0.68	0.67	0.62
Energy intensity (GJ/MWh) (Power)	0.59	0.58	0.45
Energy intensity (GJ/Billion revenue)	214,558.41	177,095	127,067



5M MWh
 Gross Generation



76.8K MWh
 Energy Savings

Electricity Delivered (MWh)
302-1

The company’s power segment has successfully generated a total of 5,357,610 MWh during the current fiscal year, utilizing our four power generators. Our energy production supports a diverse range of customers and industries across the nation, ensuring reliable and efficient power supply.

Energy Savings and Initiatives
302-4

In 2024, we continued to implement energy-saving initiatives across our operations, which has significantly brought down our energy consumption and costs.

Energy Resource Management

We responsibly manage our energy consumption and monitor our usage in our daily operations. We have implemented cost-efficient and energy-saving upgrades to align closer to ISO 50001 Energy Management System standards requirements, particularly on continual improvement.



Supplier Environmental Assessment 3-3, 308-1



SMPC carries out supplier environmental assessments to ensure that our partners align with our core values and non-negotiables. It covers a comprehensive assessment of each supplier’s environmental practices, including waste management strategies, procurement practices, energy-saving technology, if any, and other efforts aimed at reducing their environmental footprint.

Types of suppliers engaged	2024	2023
Materials	Original Equipment Manufacturer (OEM) Brand and component Equivalent/ Aftermarket parts	Original Equipment Manufacturer (OEM) Brand and component
Services	Technology certified personnel Contractor and technical support	Technology certified personnel
Suppliers engaged throughout the supply chain	462	39
Estimated monetary value of payments made to the supplier	PHP 20.89 B	PHP 3 B



15
New suppliers screened using environmental criteria 308-2





Empowering People and Inclusivity

We invest in both our people and communities, acknowledging that our success in achieving sustainable goals depends heavily on our ability to engage with them effectively and efficiently. We are committed to cultivating a culture of respect, dignity and malasakit (care) – one that goes beyond business as usual. Recognizing the far-reaching impact of our operations, we also commit to driving long-term, sustainable socio-economic growth in the local communities where we operate, while contributing to the broader development of the Philippine economy.

Diversity, Equity, and Inclusiveness 3-3, 2-7, 2-8



At SMPC, our workforce is our most important asset. We foster a workplace and community that celebrates diversity, promotes equity, and ensures inclusiveness for all. We recognize that a diverse and inclusive environment is essential for innovation, creativity, and long-term success.

Our approach to diversity is not only about representation but also about creating an environment where every individual feels valued, respected, and empowered to contribute their unique perspectives.

Employees Breakdown 405-1

In 2024, our workforce reached 6,252, of which 78% were direct employees. By leveraging individual strengths and working together toward shared goals, our employees contribute a diverse range of ideas, perspectives, and solutions to advance our organization. In return, we are dedicated to offering a secure work environment, competitive compensation and benefits, opportunities for professional growth, and fostering a positive, inclusive workplace culture.

	2024	2023	2022
Direct Employees	4,873	4,651	4,381
Indirect Employees	1,379	1,161	1,057
Total	6,252	5,812	5,438



By Gender

	Coal	Power	Total
Male	3,970	522	4,492
Female	299	82	381
Total	4,269	604	4,873

By Age Group

Age group	Coal		Power		Total	
	%	Number	%	Number	%	Number
Under 30 years old	29.6%	1,262	19.7%	119	28.3%	1,381
30 to 50 years old	64%	2,733	61.9%	374	63.8%	3,107
Over 50 years old	6.4%	274	18.4%	111	7.9%	385
Total	100%	4,269	100%	604	100%	4,873

By Level

Job level	Coal		Power		Total	
	%	Number	%	Number	%	Number
Executive	0.3%	12	0.2%	1	0.3%	13
Managerial	1%	52	6%	33	2%	85
Professional – Technical	8%	335	16%	95	9%	430
Supervisory	5%	205	14%	87	6%	292
Rank and File	86%	3,665	64%	388	83%	4,053
Total	100%	4,269	100%	604	100%	4,873



Management Breakdown

	Coal		Power		Total	
	Male	Female	Male	Female	Male	Female
Total top management positions (Vice President and above)	8	4	1	0	9	4
Total middle management positions (Assistant Manager to Senior Manager)	37	15	30	3	67	18
Total management positions in revenue-generating functions (Marketing, Operations not including Support Departments)	8	1	209	5	217	6
Total STEM-related positions (IT, Engineering)	93	84	129	13	222	97
Total	146	104	369	21	515	125

FEATURE STORY

Championing Women’s Rights at Buwan ng Kababaihan

Over 169 women from various SMPC departments celebrated National Women’s Month with a series of inspiring activities that reflected our commitment to honoring women in society. These included a tree planting activity, a fun run, pampering sessions, and uplifting talks, all curated towards promoting women and their intersectionality with social and environmental issues.



Recruitment

3-3, 401-1

Attracting, developing, and retaining top talent is crucial to achieving our sustainability goals and ensuring long-term success. Our equitable recruitment strategy is designed to attract diverse, skilled, and passionate individuals who share our values and vision for a sustainable future. We are committed to providing equal opportunities for all candidates, regardless of their background, gender, or experience.

New Hires

Segment	New hires	Hiring rate	Employee turnover	Turnover rate	% of open positions filled by internal candidates (internal hires)	Average hiring cost/FTE
Coal	705	17%	473	11%	85%	17,879
Power	60	10%	66	10%	86%	-
Total	765	17%	539	11%	85%	-

By Age

	Coal	Power	Total
Under 30 years old	453	50	503
30-50 years old	249	10	259
Over 50 years old	3	0	3
Total	705	60	765

By Gender

	Coal	Power	Total
Male	650	42	692
Female	55	18	73
Total	705	60	765

By Level

	Coal	Power	Total
Executive (Vice President and above)	1	0	1
Managerial (Assistant Manager to Senior Manager)	6	0	6
Professional – Technical	76	7	83
Supervisory	7	0	7
Rank and File	615	53	668
Total	705	60	765

Retention Rate

	2024	2023	2022	2021
	88%	98%	90%	98%

Turnover 401-1

By Age

	Coal	Power	Total
Under 30 years old	227	28	255
30–50 years old	217	21	238
Over 50 years old	29	17	46
Total	473	66	539

By Gender

	Coal	Power	Total
Male	438	52	490
Female	35	14	49
Total	473	66	539

By Level

	Coal	Power	Total
Executive (Vice President and above)	0	0	0
Managerial (Assistant Manager to Senior Manager)	5	3	8
Professional – Technical	51	4	55
Supervisory	16	6	22
Rank and File	401	53	454
Total	474	66	540

Local Hire

3-3, 202-1, 202-2

We prioritize local hiring as a key strategy to foster economic growth and strengthen the communities where we operate. By hiring locally, we not only create jobs but also contribute to the development of a skilled workforce within the region, helping to build a sustainable future for both our employees and the surrounding community. SMPC remains to be the largest private employer in Semirara Island and the Municipality of Caluya.

About 60% of our mine site employees are from Aklan, Antique, Capiz, Iloilo, and Mindoro. In our power segment, 69% of our employees originate from Batangas. These employees fill crucial positions in our operations, such as engineers and safety inspectors. We are committed to providing a living wage for all employees and ensuring equal entry-level pay, regardless of gender, that meets or surpasses local minimum wage standards.

Ratios of standard entry level wage by gender compared to local minimum wage	2024	2023	2022
	1:1	1:1	1:1

Number of senior management hired from the local community in 2024

Management positions from the local community	Aklan, Antique, Capiz, Iloilo, & Mindoro	Batangas
Coal	4	-
Power	-	1

Gender Equality

A diverse workforce strengthens our operations by bringing a wider range of skills and expertise. SMPC is building an inclusive future for women in the mining and power sectors, addressing historical underrepresentation in rural areas and ensuring diversity at every level of our organization.

In 2024, women held 30.8% of our top 13 management positions. We recognize the significant effort needed to empower local women socio-economically, and increasing gender parity at the leadership level remains a priority.

FEATURE STORY

Hats Off, Women of SMPC!



Krizia Michelle Erodias

Krizia Michelle Erodias is one of many bright and talented female scholars who graduated from the Divine Word School of Semirara Island Inc. (DWSSI). As a student, Krizia was inspired to pursue geology after witnessing the work of geologists firsthand at SMPC’s Drilling Section.

Despite facing numerous challenges, including her diagnosis of fibroadenoma, Krizia’s perseverance led her to pass her geology board exam in 2024. Throughout her journey, SMPC supported her well-being through HMO coverage for women-specific medical check-ups, ensuring that she could focus on her career without compromising her health. Today, Krizia stands as a proud example of women breaking barriers in the energy industry.



Judith Simporios

For 13 years, Judith Simporios has been a dedicated and integral member of SMPC’s Internal Audit Department. She plays a crucial role in maintaining the integrity of the company’s operations. Along the way, she has not only honed her skills but also grown both professionally and personally, made possible through the different training opportunities offered to her by her management. Today, she serves as an inspiring mentor and leader to her team and passes down her knowledge to her members.

“Each time my team completes a project or improves a process, despite the challenges, there’s a profound sense of accomplishment and success that makes it all worthwhile,” says Judith.



Jovie Marie Perez

Jovie Marie Perez plays a vital role as one of SMPC’s safety inspectors. On a daily basis, she enforces critical rules and regulations to ensure that employees in the workplace are free from harm.

At work, Jovie enjoys collaborating on ideas with different teams to improve work quality while prioritizing safety at the site. She thrives on a growth mindset, believing that while quality of work is enough, she aspires to strive for better. Her drive to improve not only elevates her own performance but also inspires those around her.

In a field traditionally dominated by men, Jovie is among the trailblazing women helping to bridge the gender gap in labor and safety management.

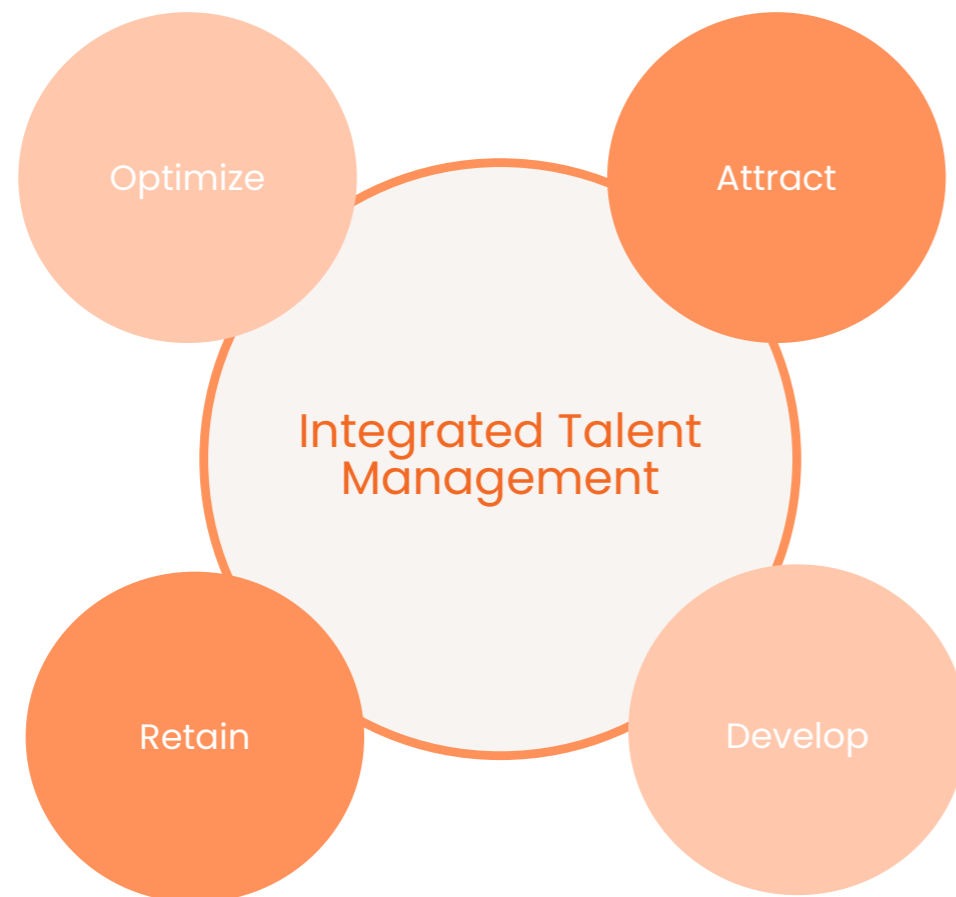
Total Promotion (%)	Men	Women
2024	57	24
2023	81	19
2022	44	56

Total Promotion per Segment (2024)	Men	Women
Coal	41	20
Power	16	4
Total	57	24

Equity

At SMPC, equity is fundamental to creating a workplace where everyone is treated with fairness and respect. We foster an equitable environment where all employees have access to the same opportunities for growth,

development, and success. Through inclusive policies, fair compensation practices, and targeted development programs, we strive to create a level playing field that enables everyone to reach their full potential.



Competitive Benefits

401-2, 405-2

Our employees are rewarded with competitive remuneration packages that are commensurate with their experience and qualifications. Our salary and benefits packages are aligned with industry standards and adhere to the Department of Labor and Employment (DOLE) guidelines, ensuring fair and equitable pay for all employees.

List of Benefits
SSS
PAG-IBIG
Philhealth
Magna Carta for Women
Retirement Plan
Bereavement Leave
Vacation Leave
Sick Leave
Relocation
Paternity Leave



We also provide a number of additional company benefits on top of government-mandated benefits. Employees at our mine site receive free housing and power allocation, while those living more than 36 kilometers from our Calaca plant have access to dormitories and an in-house healthcare clinic.

Our corporate office and power sector completed a job evaluation in 2024 that led to the revision of position grades and a review of the current salary structure. This led to a review of employee compensation and resulted in salary increases based on both merit and job value.

Leaves

401-3

We comply with all mandated government benefits in terms of sick and vacation leaves. Full-time employees have access to 15 sick leave credits and 15 vacation leave credits after the first year of employment. For new parents, SMPC provides 105 days of maternity for married employees, and an additional 15 days for solo parents.

Our leave policy has benefited our employees in their work life balance. Employees who returned to work after parental leave reached 97% in 2024, leading to a retention rate of 92%.



Male

	Entitled to Parental Leave	Employees who took Parental Leave	Employees who returned to work after parental leave ended
Coal	2,008	17	16
Power	362	22	22
Total	2,370	39	38
	Employees who returned to work after parental leave ended who were still employed twelve months after their return to work	Return to work rate	Retention rate
Coal	16	94%	94%
Power	20	100%	100%
Total	36	97%	92%

Female

	Entitled to Parental Leave	Employees who took Parental Leave	Employees who returned to work after parental leave ended
Coal	296	17	15
Power	76	6	5*
Total	272	23	20*
	Employees who returned to work after parental leave ended who were still employed twelve months after their return to work	Return to work rate	Retention rate
Coal	15	88%	94%
Power	5*	100%	100%
Total	20*	87%*	92%

*1 employee is still on maternity leave



Talent Development

3-3, 404-1, 404-2, 404-3

We prioritize the development of our employees by providing opportunities for continuous learning, career growth, and skill enhancement. Through tailored training programs, mentorship initiatives, and leadership development, we empower our workforce to unlock their full potential and thrive in their respective fields.

To meet the technical requirements of our mining and power operations, we prioritize recruiting and retaining highly skilled workers and cultivating the expertise needed to support our business demands. We invest in comprehensive training programs to continually enhance the knowledge and capabilities of our employees. This ensures a strong talent pool, enabling us to meet our current and future business goals.



91 promotions

Across our mining, power, and corporate operations



Employees Receiving Performance Reviews, By Gender

	Coal	Power	Total
Male	93%	86%	92%
Female	7%	14%	8%
Total	100%	100%	100%

By Age

	Coal	Power	Total
Under 30 years old	30%	20%	28%
30 to 50 years old	64%	62%	64%
Over 50 years old	6%	18%	8%
Total	100%	100%	100%

By Position

	Coal	Power	Total
Executive	0.3%	0.2%	0.3%
Managerial	1%	6%	2%
Professional – Technical	8%	16%	9%
Supervisory	5%	14%	6%
Rank and File	86%	64%	83%
Total	100%	100%	100%

Training Programs



Technical Training



Formal Training



Mentoring



Leadership Coaching



Digital Learning Management System

How we ensure training effectiveness:



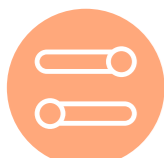
Evaluation

Assessment of training needs and integration of training development plans into annual performance evaluations



Experience

Maximization of training hours and resources through online sessions and self-paced learning with our learning management system



Enablement

Leadership training for transition to senior roles, talent reviews, evaluation of employee development programs, and continuous enhancements to the performance management system



Total Training Hours Per Category

	Coal	Power	Total
Behavioral	52,936	5,330	58,266
EHS	201,309	12,347	213,656
Leadership	7,005	3,570	10,575
Professional and technical development	155,060	7,080	162,140
Quality management	18,061	4,575	22,636
Climate-related	706	0	706
Total	435,078	32,902	467,980

Total Training Hours Per Segment

	Coal	Power	Total
Training hours	435,078	32,902	467,980

Average Training Hours Per Gender

	Coal	Power	Total
Male	405,031	25,693	430,724
Female	30,047	7,209	37,256
Total	435,078	32,902	467,980

Average Training Hours Per Level

	Coal	Power	Total
Executive (Vice President and above)	383	140	523
Managerial (Assistant Manager to Senior Manager)	4,602	1,504	6,106
Professional – Technical	35,311	5,933	41,244
Supervisory	19,677	7,056	26,733
Rank and File	375,105	18,269	393,374
Total	435,078	32,903	467,980

Workplace Culture

403-6

At SMPC, we believe in building a work environment where everyone’s contributions are recognized and rewarded. We prioritize a safe and healthy working atmosphere where everyone can perform to the best of their abilities. We offer a range of benefits that prioritizes the well-being of our employees, including fitness facilities, mental health resources and comprehensive healthcare.

In 2024, we strengthened our employee engagement and wellbeing committee which focuses on actively involving employees in addressing concerns and fostering open communication within the company. They collaborate in co-creating employee initiatives that help drive employee engagement, promote wellbeing, and support a healthy work-life balance.



FEATURE STORY

SMPC Corporate Office Gets A Makeover

SMPC’s corporate office underwent a successful renovation in 2024 to accommodate our growing workforce and enhance overall operational efficiency.

Energy efficiency was a key focus, with the installation of an automatic lighting system and a centralized control system for air conditioning units. The renovation also introduced a more modernized space with new cutting-edge upgrades, including electronic bulletins and meeting room display tablets. To bolster security, we also upgraded our door

access systems and CCTV infrastructure. Our goal was to create an environment that fosters employee engagement and boosts productivity. Noise-absorbing baffle ceilings and modular partitions were incorporated to improve focus, while a versatile multi-function room was added to support both official meetings and social functions for larger departments.

This transformation reflects our commitment to creating a workspace that encourages collaboration, innovation, and well-being.



Security Practices

3-3, 410-1

Our security personnel, both internal and external, are trained to uphold the highest standards of professionalism, so that we continue to protect both our people and assets across our operations. Our security teams undergo regular training to ensure that they respect and uphold the human rights of employees, business partners, and host communities.

By integrating security with a strong ethical foundation, we foster a workplace where safety and respect go hand in hand, allowing our operations to run smoothly while maintaining positive relationships with the communities we serve.

Training hours on human rights awareness



1.7K
Coal



684 hrs
Power



844 hrs
Head Office



OHS Performance

3-3



At SMPC, the health, safety, and well-being of our people are at the core of our operations. We are committed to maintaining a workplace that is free from harm and adhere to the highest standards of safe working environments. This commitment extends to our employees and contractors where every individual is accountable for their own safety and the well-being of their colleagues.

OHS Management and Risk Mitigation

403-1, 403-2, 403-8

Recognizing the safety challenges inherent in mining, SMPC places the highest priority on the health and safety of its employees, a key concern for both management and stakeholders. We seek to eliminate fatalities and life-altering injuries from our operations. We aim to continually reduce the number of injuries and occupational illnesses.

100% of SMPC’s workforce is covered by our certified ISO 45001:2018 OHS Management System, either directly or through contracts and Service Level Agreements (SLAs) for contractors. Aligned with ISO’s framework, we continuously assess and enhance our health and safety practices through regular audits, risk assessments, and employee

feedback. This commitment to continuous improvement ensures a safer environment for employees and business partners. Our Environment, Health and Safety (EHS) Committee meets monthly to review EHS programs and share best practices.

Demonstrating our long-standing commitment to OHS, our Coal segment maintained its ISO certifications for Quality, Environment, and OHS management systems for the 16th consecutive year in 2024. Our Power subsidiaries, SEM-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC), also retained their ISO 45001:2018 certifications and also certified under ISO standards.

SMPC actively encourages worker participation and secures external assurance of its OHS management system. Worker representatives are engaged in OHS decision-making processes, ensuring their voices are heard. Regular hazard identification, risk assessments, and the implementation of appropriate control mechanisms are conducted to proactively address potential dangers. We place great value on employee insights on the effectiveness and relevance of existing controls, using this feedback to continuously improve safety practices. Finally, SMPC provides personal protective equipment and other equipment to prevent exposure to fumes, dust, and noise, further safeguarding worker health and well-being.



EHS committee members 403-4

	2024	2023	2022
Coal*	279	273	255
Power	113	80	100
Total	392	353	355

*includes EHS Committee member from Makati Head Office

Prevention and Mitigation of OHS impacts (Business Relationships) 403-7

SMPC employs a multi-faceted approach to onsite risk mitigation, starting with implementing strong engineering controls. A principle of shared responsibility is implemented across the organization, promoting a culture of safety.

Contractor safety is prioritized through a prequalification process that rigorously assesses their performance and compliance with SMPC's OHS management system. Clear OHS performance expectations, along with audit and reporting requirements, are explicitly stated in contracts, as are the consequences of non-compliance.


Contractors actively participate in EHS committee meetings, providing valuable feedback and contributing to continuous improvement.

Employee Health and Wellness Benefits 403-3

Our comprehensive health program includes annual physical examinations, fitness and sports activities, and recreational and spiritual opportunities to promote well-being, camaraderie, and personal growth. The company-owned and operated infirmary, a PhilHealth-accredited facility since June 2024, provides free primary medical services and discounted medicines to the mine site workforce, their dependents, and local residents, staffed by doctors, dentists, medical technologists, and other medical professionals.



15 beds
Infirmary with physicians, nurses, and other medical professionals



18 beds
Isolation facility maintained for workers and host community




100%
Employees who completed annual physical examination

FEATURE STORY

SCPC & SLPGC Strengthen Community Blood Supply

SCPC and SLPGC partnered with the Philippine Red Cross, Batangas Chapter – Nasugbu Branch, for their quarterly bloodletting drive. With the generosity of volunteer donors, the initiative successfully gathered blood donations to support the community blood bank. This effort helps ensure a steady supply of blood for emergencies and those in critical need.



220 bags
Total blood donated



OHS Training 403-5

Uncompromising safety is essential to our business, with the well-being of our people, partners, and communities taking priority through high performance and strict adherence to safety management systems. Our safety strategy focuses on building a resilient safety culture, developing passionate safety leaders, and continuously enhancing our management systems, as demonstrated by our continued international standard certifications.

Our safety training programs aim to increase employee awareness of safety issues and ensure they have the skill to respond to hazards appropriately. In 2024, we increased the number of OHS training to 129 from 84 in 2023, with the total training hours increasing to 191,485 hours or 11 OHS training hours per employee.

Number of OHS Trainings

Locations	2024	2023	2022
Coal	85	54	42
Power	44	30	32
Total	129	84	74



Number of OHS training hours

	2024		2023		2022	
	Coal	Power	Coal	Power	Coal	Power
Total Training Hours	191,485	9,328	31,456	6,470	182,272	10,104
Average OHS Training Hours Per Employee	11	4	8	3	4	3

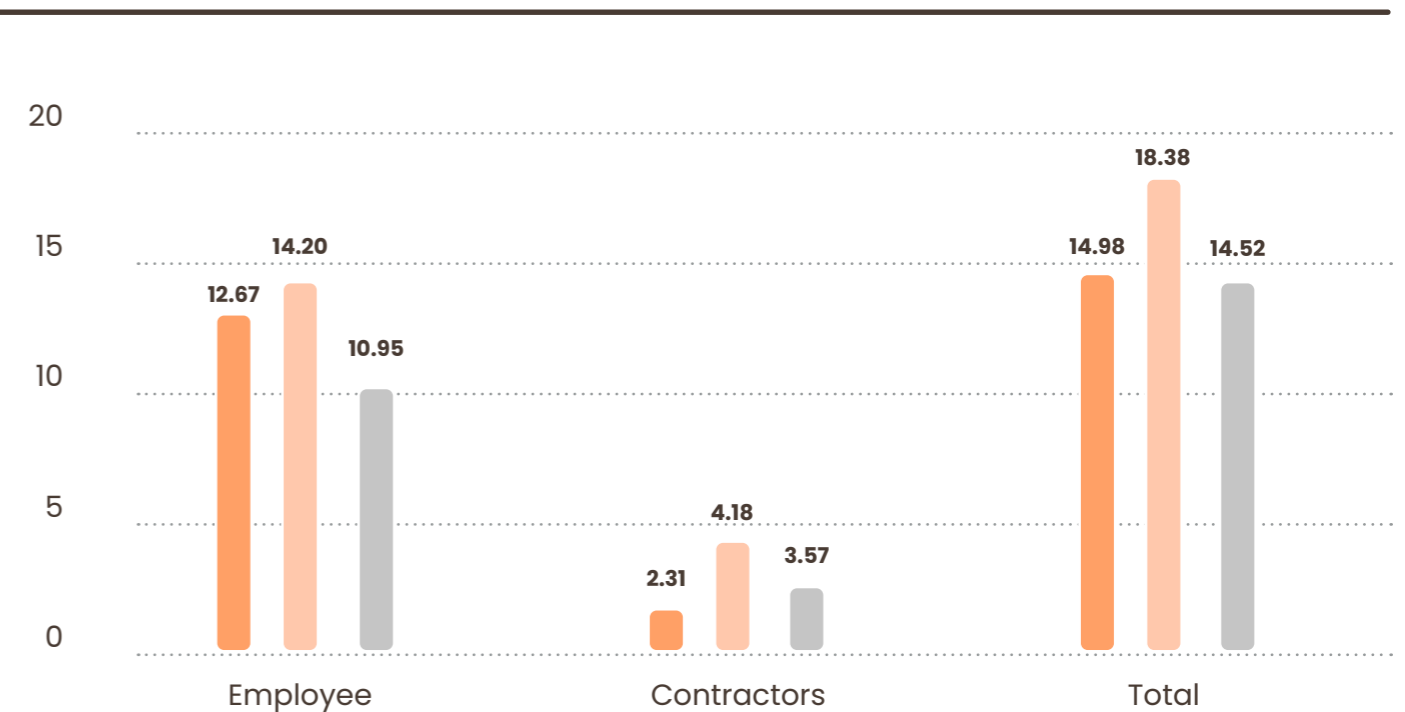
Contractor Safety

All contractors are required to complete a comprehensive Contractors Safety Awareness program, among other safety initiatives. This program aims to strengthen safety practices and enhance contractor knowledge and skills to prevent future incidents.

OHS Data - Coal

Number of hours worked (In millions)

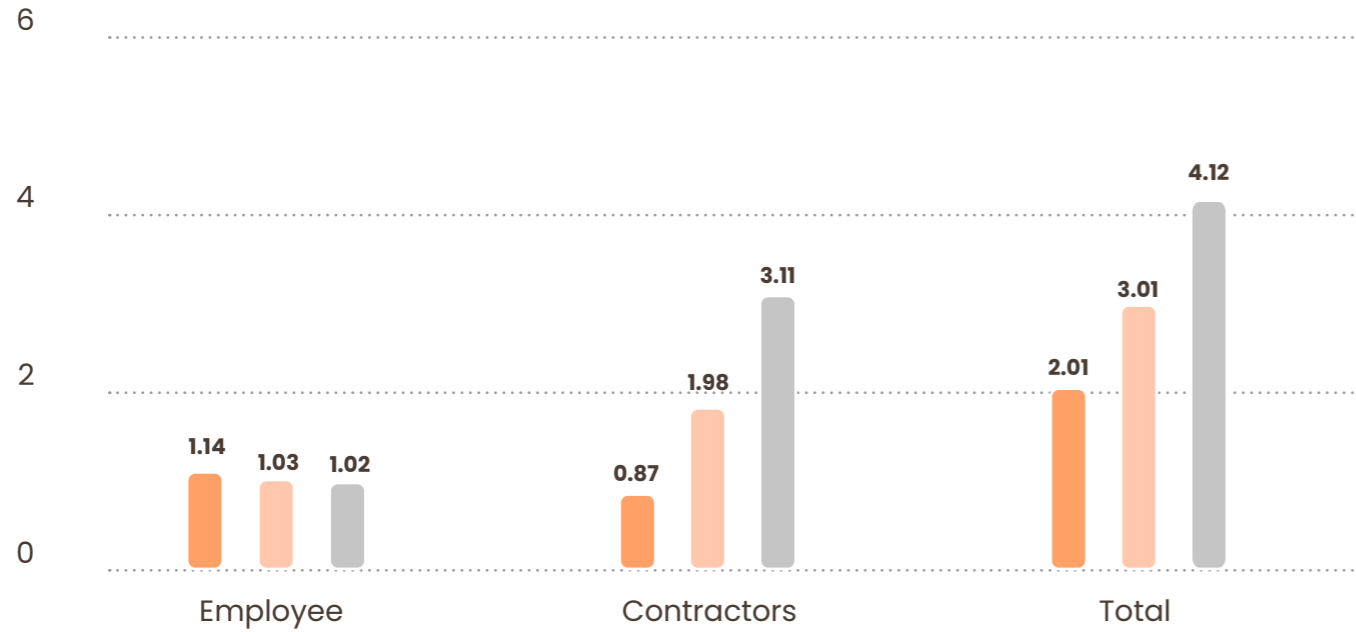
2024 2023 2022



OHS Data – Power

Number of hours worked (In millions)

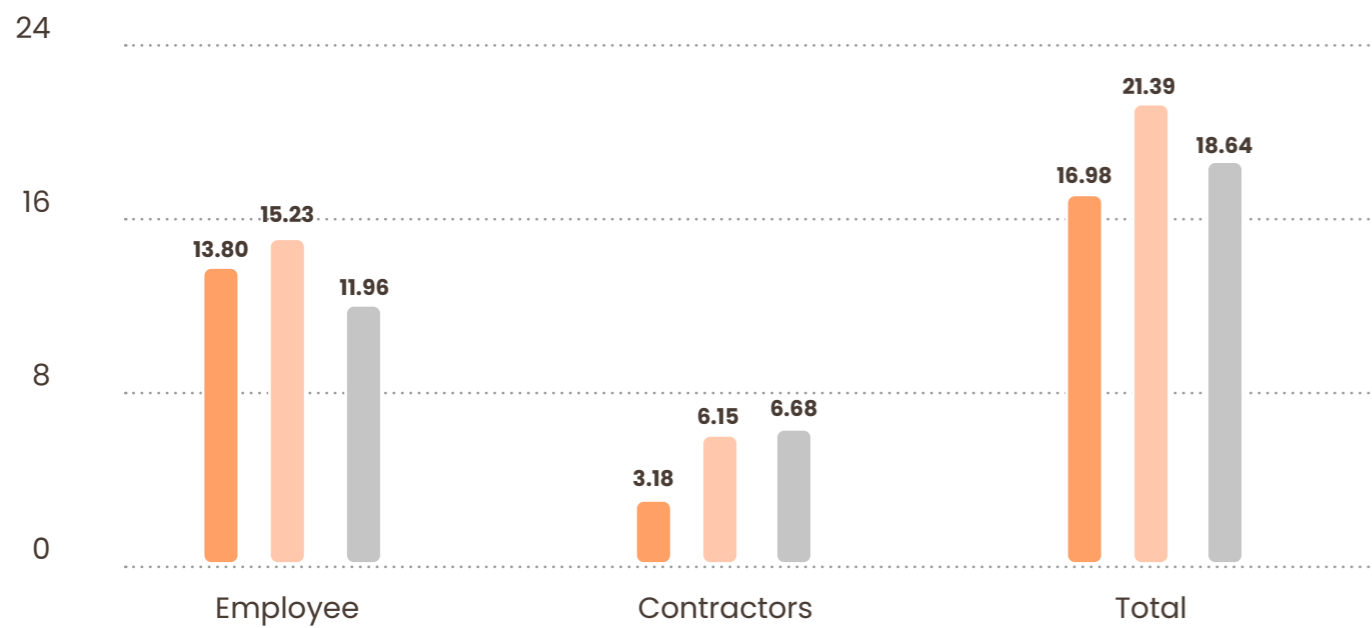
2024 2023 2022



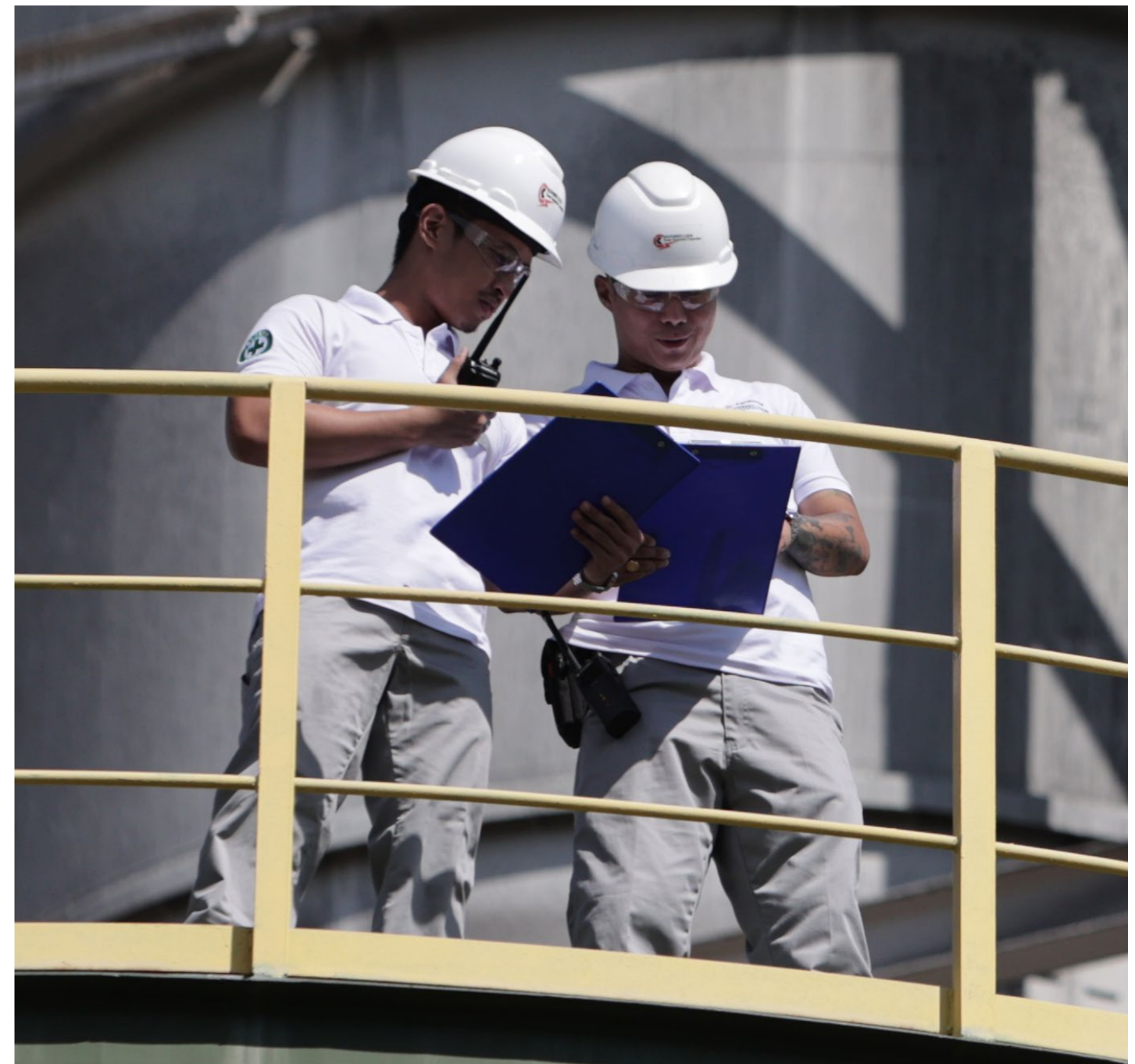
OHS Data – Consolidated

Number of hours worked (In millions)

2024 2023 2022



Number of hours worked (in millions)	Coal	Power	Total
Direct Employees	12.67	1.14	13.80
Indirect Employees (contractors)	2.31	0.87	3.18
Total	14.98	2.01	16.98



Our Safety Performance
403-9, 403-10

Recordable work-related injuries

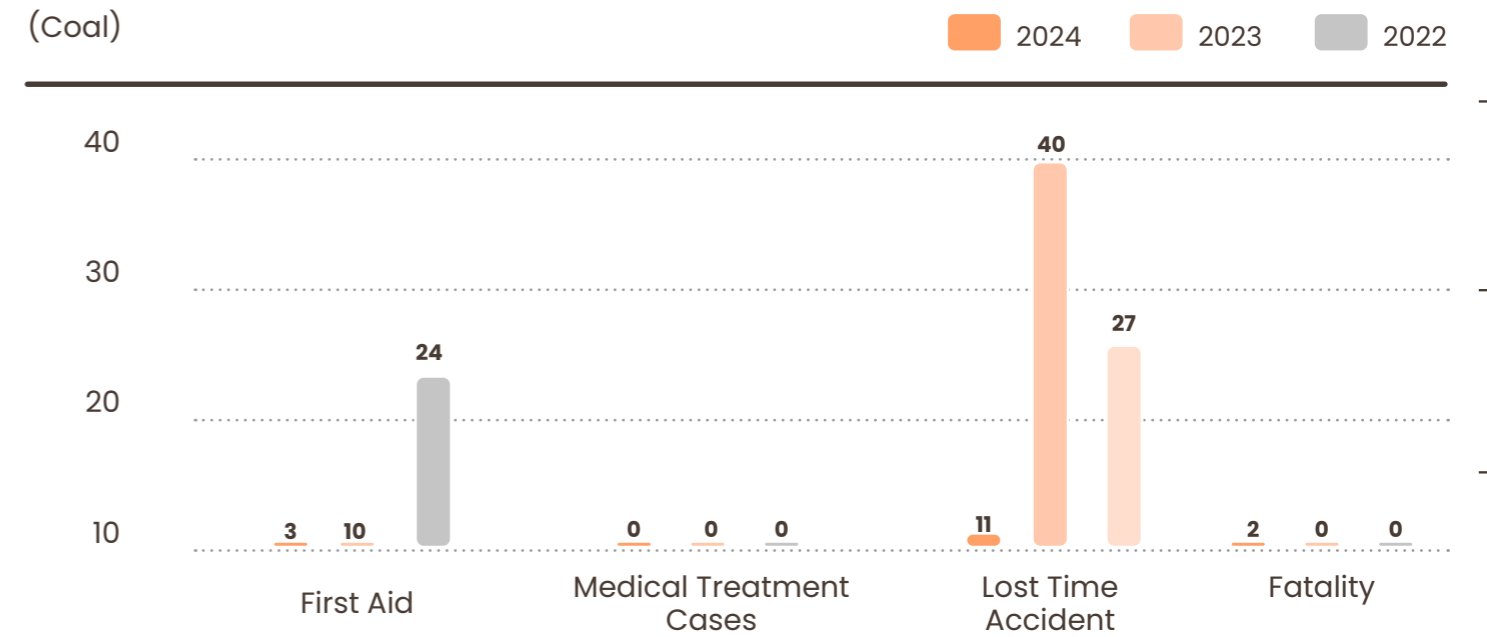
		Number
Coal	Employees	16
	Contractors	4
Power	Employees	9
	Contractors	16

	Total Recordable Injury Rate (TRIR) (per 200,000 hours worked)	Total Recordable Injury Frequency Rate (TRIFR) (per million hours worked)
Coal	0.25	1.26
	0.35	1.73
Power	1.58	7.91
	3.68	18.39



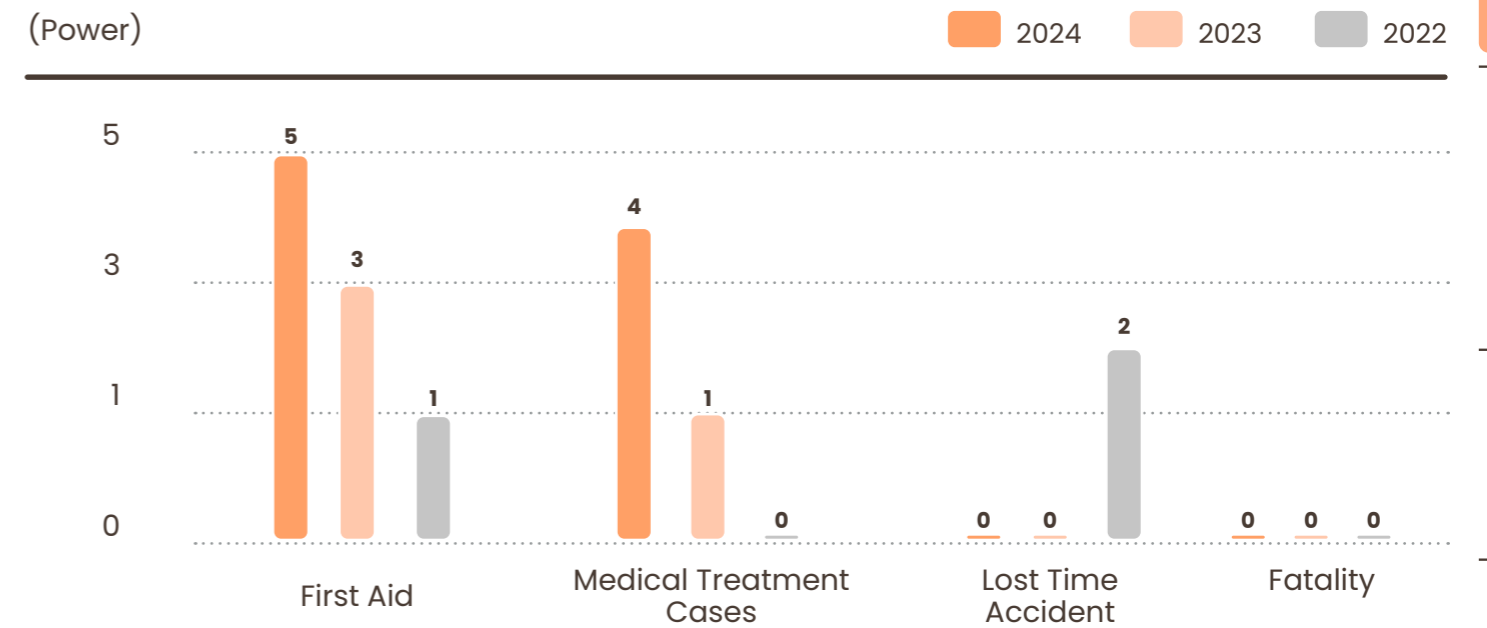
Employee Injuries

(Coal)

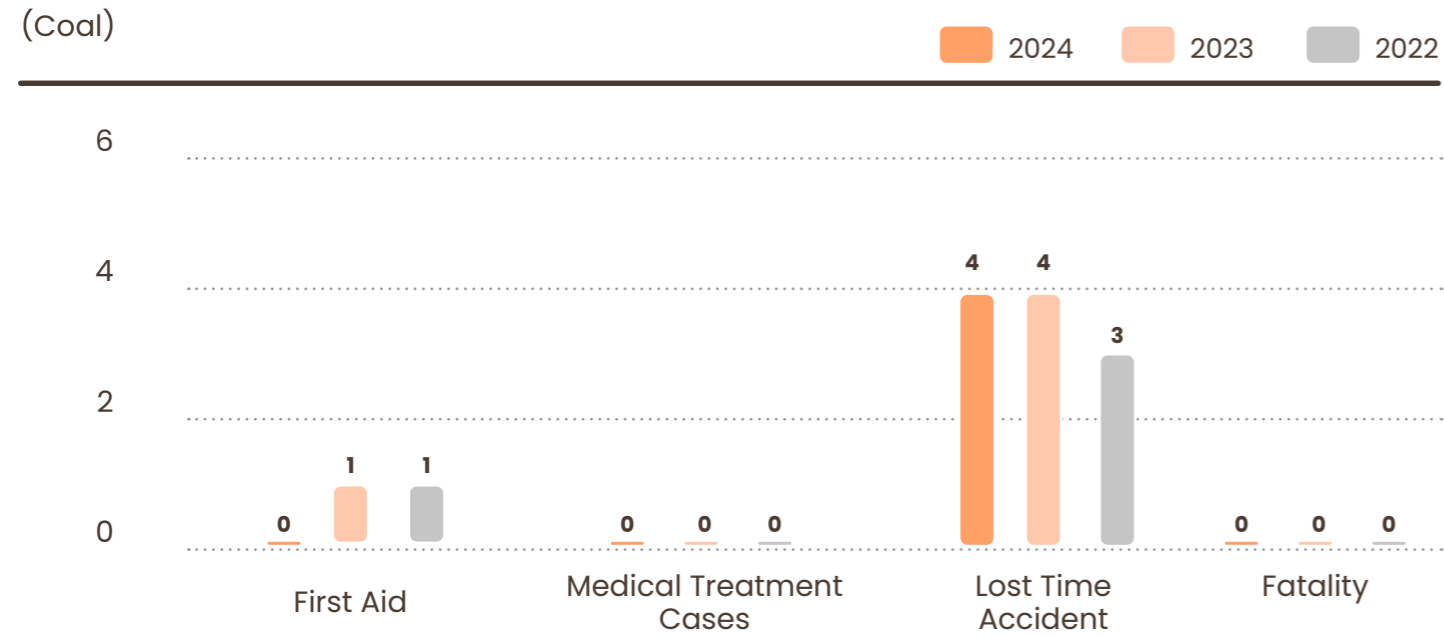


Employee Injuries

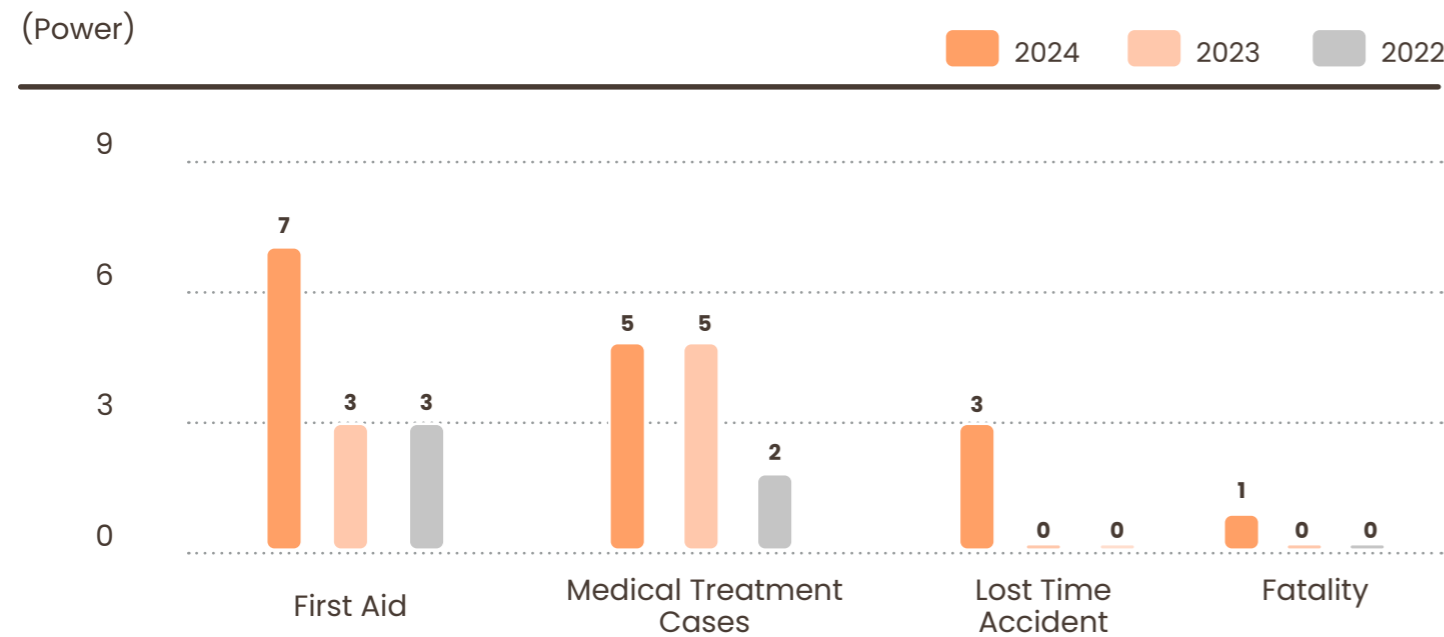
(Power)



Contractor Injuries



Contractor Injuries



Cases of recordable work-related ill health

Classification	Coal		Power	
	Employees	Contractors	Employees	Contractors
First Aid	3	0	5	7
Medical Treatment Case	0	0	4	5
Lost time accident	11	4	0	3
Fatality	2	0	0	1

We are deeply saddened to report three work-related fatalities within our operations in 2024. Our heartfelt condolences have been extended with the affected families, and we have offered immediate support during this challenging period. Each incident was thoroughly investigated, leading to a comprehensive review of our safety practices and hazard identification processes. As a result, corrective actions have been enforced across all operational areas to prevent future occurrences.

Lost time injuries

Classification	Coal		Power	
	Employees	Contractors	Employees	Contractors
Number	11	4	0	3
Lost-Time Injury Frequency Rate (LTIFR) (per million hours worked)	0.87	2	0	4
Lost-Time Injury Rate (LTIR) (per 200,000 hours worked)	0.17	0.35	0	0.69

Customer Health and Safety
3-3, 416-1

The health, safety and wellbeing of our stakeholders are fundamental to how we operate and conduct our business.

SMPC does not conduct product health and safety assessments, as they are not applicable to our operations since the coal and electricity we sell are not directly supplied to consumers. However, we abide by all relevant industry laws, rules and regulations set by the Philippine government as well as international standards, including the Coal Operating Contract and American Society for Testing and Materials.

To ensure the quality of our coal, we implement stringent controls aimed at preventing foreign contamination and reducing moisture risk. These controls include the installation of crushers and the use of metal detectors.

By managing these risks effectively, we improve our overall company satisfaction. We also provide coal stockyard management orientations to help customers understand how we design, handle, and prevent issues with our coal stockpiles.



Conscious Supply Chain

To protect human rights in our communities and at work, we established our Code of Conduct, Business Ethics, and OHS policies.

The code governs all business conducts of our officers and employees and covers important topics such as anti-harassment, anti-discrimination, labor practices, environmental stewardship, employee welfare, human trafficking, and community involvement.

Moreover, we expect our consultants and contractors to adhere to the provisions of our Code of Conduct. Abiding by the Code will sustain our operations and strengthen our reputation. As such, we mandate that our suppliers, contractors and business partners follow our Code of Conduct and also display proactiveness in taking corrective action in the event of noncompliance. If our business partners cannot follow our policies our business agreements with them are terminated.

Human Rights Due Diligence Process

2-30, 3-3, 402-1, 407-1, 408-1, 409-1

SMPC complies with all applicable laws and regulations in engaging with our host communities and is committed to upholding international human rights principles. We believe in fair treatment and diversity in the workplace. We do not tolerate harassment, discrimination and intimidation on grounds of race, origin, gender, age, disability, sexual orientations, religion or belief.

We proactively identify risk within our own operations, value chain, and other activities related to our business, including business relations, such as mergers, acquisitions and joint ventures. Our hiring process and contractor performance monitoring include regular SLA reviews. This ensures compliance with established standards. As a result, we mitigate the risk of violations and exposure to potential issues. We also initiate a systemic periodic review of potential issues to prepare for any future problems.

SMPC’s policies on protecting employees’ fundamental rights align with the International Labor Organization’s conventions. We steadfastly oppose child and forced labor, valuing freedom of association, promoting diversity, and ensuring equal opportunities and fair treatment for all.

We have a strict zero-tolerance policy towards all forms of child labor and forced labor. We prohibit any person who is below 18 years of age from being hired or employed in any form. We expect our suppliers and contractors to uphold the same standards.

If we find a pattern of violation of these principles, we will discontinue the business relationship.

0
Operations and suppliers considered to have significant risk for incidents of child labor and forced labor

0
Violations to Anti-Child Labor and Anti-Forced Labor

We respect our employees’ fundamental right to unionize and engage in collective bargaining. We support their freedom of association and believe in maintaining open communication with all stakeholders. Our labor union’s Collective Bargaining Agreement (CBA) represents 23 members, or 0.53% of our coal segment workforce. Through the CBA, we have successfully negotiated wage agreements, working hours, and other key terms of employment. We provide at least one week minimum notice period for operational changes, which complies with the minimum notice period set by DOLE.

0
Operations and suppliers in which workers’ rights to exercise freedom of association or collective bargaining may be violated or at significant risk

Supporting Local Communities

3-3, 413-1



We recognize the importance of building and maintaining trust in our local communities. We aim to contribute to the prosperity of our communities by creating jobs, supporting local businesses and contributing to socio-economic development. Our commitment to empowering our communities towards

self-sufficiency and post-mine sustainability is reflective of our 5Es Social Development Program framework. The 5Es serves as the foundation for all our social development programs designed to build communities for sustainable long-term growth.



Our 5Es Social Development Program



Economic Empowerment 203-1, 203-2

Building Connected Communities

As part of our community engagement process, we make significant investments to promote development and encourage the growth of a self-sufficient local economy. These investments facilitate connectivity in rural areas and improves their quality of life.



FEATURE STORY

Land Transportation Office (LTO) Now in Semirara

We brought essential government programs closer to the community with the construction of the LTO Semirara Extension Office. This has allowed locals to conveniently process student permits, driver's licenses, and examinations.



510

LTO transactions completed during the first week





51 km
Roads built and maintained



180K
Passengers transported by MV Ma. Cristina since 2016



200
Maximum passenger capacity of MV Ma. Cristina



1
Industrial Shipping port



1.8 km
Semirara Airstrip



4
Telecommunication Towers with 4G connectivity



6
Schools benefiting free internet connectivity



103
Tenants and stalls in Semirara Food Court and Wet-&-Dry Market

Poverty Reduction, Inclusivity and Food Security

In partnership with the Department of Energy, we have been making significant strides in social development programs geared towards self-sufficiency and resilience of our host communities, so that they will continue to thrive in a post-mining small island economy.

In 2024, we continued to support initiatives that promote economic resilience and food security to communities in Semirara Island.



7.9K
Daily passengers of Island-route free shuttle service



10
Vehicles for Island-route free shuttle service



170
Total beneficiaries of livelihood projects



Php 9.6M
Total income from livelihood projects for 2024

Agro Model Farm

SMPC's Agro Model Farm helps alleviate poverty and promotes food security in Semirara Island. With vegetables and root crops mainly sourced from nearby Mindoro and the Antique mainland, our farms' produce has since allowed locals to enjoy accessible food supply at reduced market prices due to the elimination of inter-island transport costs.



18.1K kg
Produce harvested in 2024

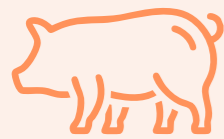


48
farmers and seasonal workers



Poultry and Livestock Model Farm

Our Poultry and Livestock Model Farm uses sustainable livestock to improve food security on the island. Our farms boost chicken and quail eggs production and hog raising.



111

Piglets distributed in 2024



241K

Chicken and quail eggs produced in 2024



114

Family and association beneficiaries



Handicrafts Making

SMPC supported handicrafts production in Semirara Island to augment households' monthly income. Handicraft production uses natural resources in the island to produce bayong, bags, banig, made from nipa and rattan, furniture made from scrap wood, keychain with engravings and cups made from bamboo.



48

Beneficiaries

Fishing

Fishing is one of the main livelihoods of people from Semirara Island. Our fishing programs maximize the abundant natural aquatic resources around the island. We support the local fishing industry and the livelihood of local fisherfolks. SMPC provided motorized fiberglass fishing boats, fishing nets and gear, solar kits to our beneficiaries for when they go fishing before daylight.



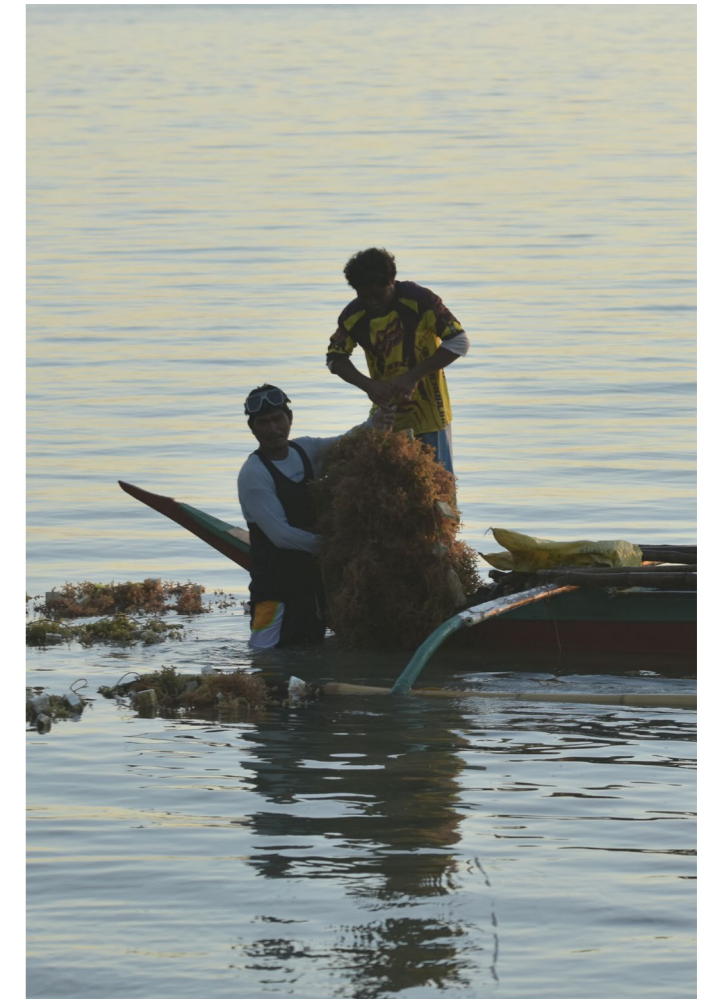
35.7K kg

Fish caught in 2024



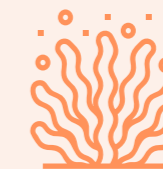
75

Beneficiaries



Seaweed Farming

Seaweed farming is one of the Municipality of Caluya's main livelihood. SMPC extends support to fisherfolks to Semirara and neighboring islands.



560 kg

Estimated annual harvest



160

Beneficiaries

Seaweed Chips Production

The seaweed chip processing facility in Barangay Tinogboc provides local women with supplementary monthly income.



337 kg
Seaweeds chips produced in 2024



8
Beneficiaries



Tailoring and Dressmaking

The 20 sewing machines donated to the Semirara Women's Organization in 2023 have resulted in a minimum of PHP 13,100 of extra monthly income.



23.3K
SMPC uniforms produced and purchased in 2024



18
Beneficiaries

Concrete Hollow Blocks (CHBs) Making

Our Concrete Hollow Blocks initiative repurposed the bottom ash wastes, which reduced the cost of raw materials and increased profit.



390.5K
Total CHBs produced in 2024



1
Cooperative beneficiary in Batangas



2
People Associations beneficiaries in Semirara Island

FEATURE STORY

New Uniforms for Seafarer Workers

SMPC distributed new uniforms to the 46 members of the Suja Pinagpala Stevedoring Association at Pinagpala Pier in Brgy. Semirara. These uniforms aim to make them easier to identify by travelers and help increase their safety and visibility.





Our Partner Community Organizations

- Alegria Seaweeds and Coconut Planters and Fishermen’s Association, Inc.
- Alegria Women’s Organization
- Asosasyon ng Dacanlao sa Higit na Kaunlaran Producers Cooperative (ADHIKA)
- Barangay Semirara Fisherfolks Association
- Semirara Employees Cooperative
- Semirara Fishermen’s Association
- Semirara Tricycle Operators and Drivers Association
- Semirara Women’s Organization
- Suha Farmers and Fisherfolks Association
- Integrated Multipurpose Cooperative
- Tinogboc Farmers’ and Fishermen Association
- Tinogboc Women’s Organization
- Villaresis Foursquare Hollow Block Fabrication Association
- Villaresis-Pinagpala-Bagong Barrio Fisherfolks Association, Inc.



Our Partner Government Agencies and Office

- Bureau of Fisheries and Aquatic Resources (DA-BFAR) - Antique
- Department of Agriculture (DA) - Caluya, Antique
- Department of Education (DOE) - Calaca, and Balayan Batangas
- Department of Education (DOE) - Caluya, Antique
- Department of Trade and Industry (DTI) - Antique
- Municipal Agriculturist Office - Balayan, Batangas
- City Environment and Natural Resources Office - Calaca
- Municipal Environment and Natural Resources Office - Balayan
- Technical Education and Skills Development Authority (TESDA)
- Department of Science and Technology (DOST)
- Cooperative Development Authority (CDA)
- Batangas Provincial Cooperative, Livelihood and Entrepreneurial Development Office



Education

203-2

Paving the Way for the Future Generation

As one of our 5Es, education is one the pillars of our social investment strategy. Our education program focuses on empowering students of our host community, ensuring a bright future ahead and waiting for them. We have built 150 classrooms and 64 community scholars are currently enrolled.

Divine Word School of Semirara Island Inc. (DWSSII)

The Divine Word School of Semirara Island Inc. or DWSSII was established in 2003 and is fully funded by SMPC. DWSSII is the only private institution that offers primary, secondary, and tertiary education to local residents in Semirara Island.



29

Public schools supported in Semirara Island and Caluya



5K

DWSSII graduates since 2003



4

Total classrooms built in 2024



134

Pioneer enrollees in tertiary education



New Offers:



5 Tertiary Courses in partnership with Divine World San Jose



Speech Laboratory



Radio Room

Youth Scholarship Program


Our efforts in ensuring educational success of the youth in our community extend up to the tertiary level. We award academic scholarships and financial assistance to exceptional students from our host communities. Our scholars take up various degrees in business and finance, social sciences, IT, and engineering.


	Currently Enrolled	Graduates
Coal	26	108
Power	28	86



Semirara Island Balik Eskwela Program: DepEd Alternative Learning System in partnership with DWSSII


The Balik-Eskwela Program enables out-of-school youths and SMPC employees to pursue secondary education during the weekends. It covers essential subjects and is conducted at DWSSII's classrooms, computer room, and laboratories.

 **92**
ALS Graduates

 **82**
Current Enrollees

SMPC Masteral Degree Scholarships for Teachers


Since 2018, SMPC has awarded scholarships to public and private school teachers in Semirara to pursue degrees in Master of Arts in Education, facilitating the improvement and effectiveness of their teaching skills and methods.

 **18**
Master's Program Graduates since 2018




Brigada Eskwela 2024

We at SMPC take part in Brigada Eskwela, an annual school maintenance program implemented by the Department of Education. The program allows all stakeholders to ensure that public schools are all prepared for school opening. SMPC supported the clean-up, maintenance work and repair work in classrooms in Semirara Island.

 **14**
School beneficiaries in Semirara Island and Caluya

 **17**
School Beneficiaries in Batangas

 **14.8K**
Total Student Beneficiaries

Skills Development Towards Self-sufficiency

Empowering the community's workforce is vital in the journey to self-sufficiency and self-reliance. SMPC contributes to the acceleration in this area by providing opportunities for the people to upgrade their skills to make them more prepared for the future.



Semirara Training Centre, Inc. (STCI)

Since 2006, our Semirara Training Center Inc. (STCI) has been offering free technical vocational courses to the local residents in Semirara Island and other nearby islands to expand their employment and livelihood opportunities. STCI has been accredited by the Technical Education and Skills Development Authority (TESDA) as a Training and Assessment Center. STCI also offers our workforce a way to upgrade their skills portfolio as part of our talent development program. STCI's beneficiaries include graduates of DWSSII's Senior High School Technical Vocational Livelihood Track.



152
Graduates in 2024



1.8K
Graduates since 2006

Specializations at STCI



SCPC and SLPGC Skills Training Program

In partnership with local government units and TESDA, the skills training program of SCPC and SLPGC helps build technical skills and create more job opportunities for our impact communities in Batangas.



48

Skills training session conducted since 2012



1.2K

Skills training graduates since 2012



45

Skills training graduates in 2024

FEATURE STORY

SMPC's Computer Literacy Program

We conducted our first Barangay Computer Literacy Program. The program aims to teach essential computing skills to the participants to support a more digitally literate and empowered community.



Emergency Preparedness and Resilience

Recognizing Semirara Island's vulnerability to calamities, we prioritize disaster readiness and resilience to protect the health and well-being of the community.

Semirara Island Emergency Action Group (SIEAG) Training



152

Total Participants in 2024 (Company employees, Consignors, People Organizations, Barangay LGUs)

SCPC and SLPGC Emergency Response Training Program

In 2024, our Power Segment provided free training covering first aid and basic life support to residents from vulnerable communities in Batangas.



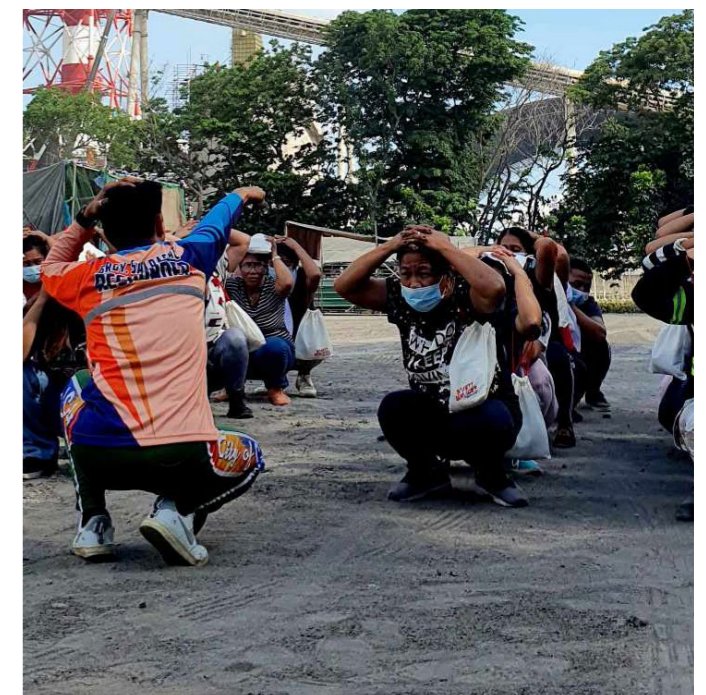
50

Trainees in 2024 from Impact Barangays



220

Employee Blood Donors

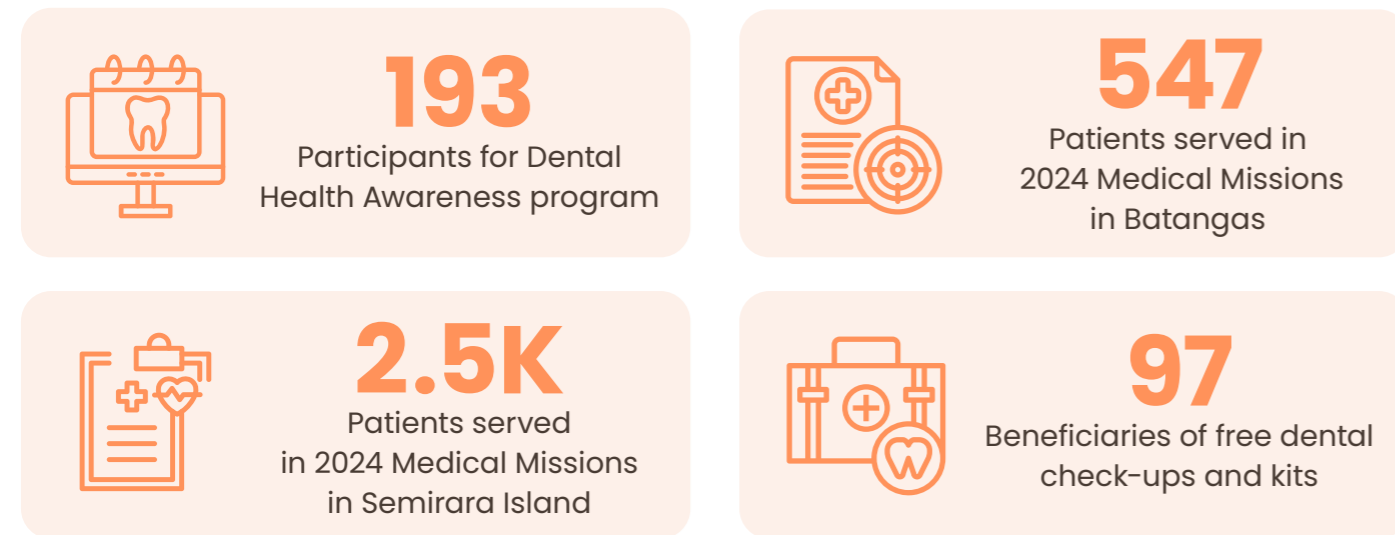


Ensuring Community Health

We place the utmost importance on the health and wellness of our employees and community. We cater to our employees and host community members, providing access to free medical services and hosting annual health programs.

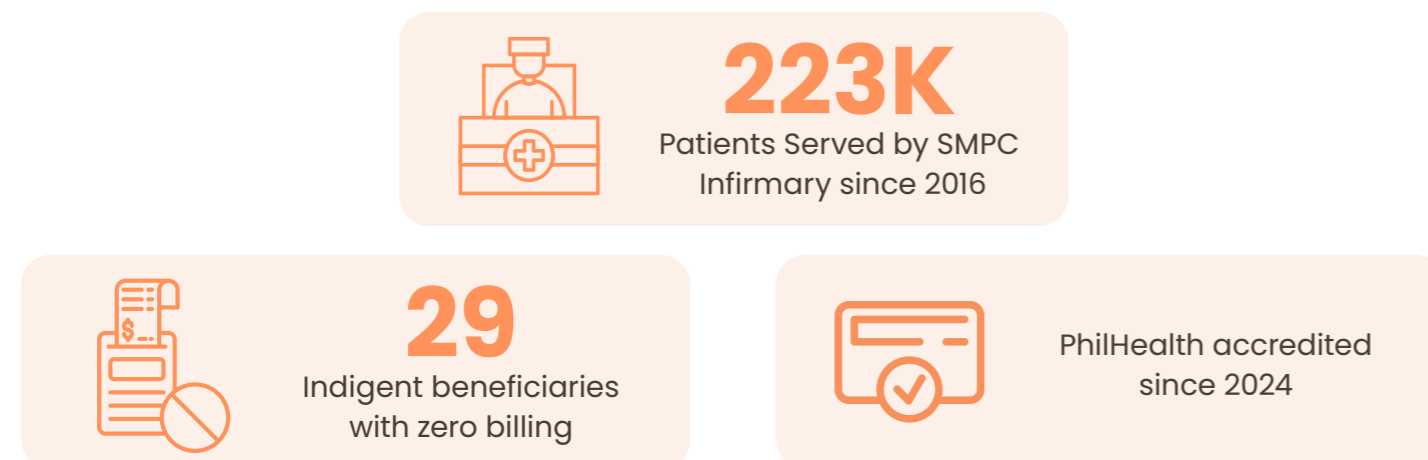
We also extend access to healthcare by conducting medical missions in our host communities in partnership with local government units and private institutions.

Our Power Segment has conducted blood donation drives in partnership with the Philippine Red Cross. Donated blood is crucial for life-saving transfusion.



SMPC Infirmary

Our 15 bed SMPC infirmary contributes to the health and wellbeing of employees, their dependents, and other residents in our host communities in Semirara Island. Since June 2024, the SMPC Infirmary has been accredited by PhilHealth. This allows employees and community residents to access much-needed health benefits from the government.



Medical Services and Annual Health Programs	Specialized Health Services
Regular health check-ups	Pediatrics
Laboratory services	Dentistry
X-ray services	Neurosurgeon and
Circumcision	Ophthalmologist
Pharmaceutical services	Internal Medicine
Health Awareness Webinars	Obstetrics

FEATURE STORY

SMPC Brings Free Healthcare to 260 Island Locals

In June 2024, SMPC conducted a medical mission and provided free healthcare services in Sitio Pooacan, Semirara Island, Caluya, Antique. We provided medical assistance to over 260 residents, including access to the SMPC infirmary for follow-up check-ups and laboratory examinations. Our medical team also distributed information and educational materials on deworming, high-risk pregnancy, hypertension, and rabies.

This activity was made possible in partnership with the Caluya Municipal Health Office, Barangay Tinogboc LGU, and teaching staff from Sabang II Elementary School.



Building Resilience Through Risk Management

We are progressing our sustainability journey by building on years of experience and further integrating it into our governance and risk management. We actively monitor and report on the key risks and uncertainties that could affect our ability to achieve our strategic goals. This reinforces our dedication to our long-term goals of value creation for all our stakeholders.

Risk Process

2-16

SMPC manages, monitors and reports on principal risks and uncertainties that we identified as having the potential to impact our ability to reach our operational goals.

Our Enterprise Risk Management (ERM) Policy aims to maximize strategic and business opportunities while minimizing negative outcomes. This balanced approach optimizes shareholder value and ensures sustainable growth by effectively managing the interplay between risks and rewards. The ERM framework is built upon ISO 31000:2018 and other leading practices, such as the COSO ERM – Integrated Framework, with a core focus on value creation and protection.

Several key principles guide SMPC’s ERM approach. Risk management is integrated into all organizational processes, from strategic planning to project and change management, rather than being a separate activity. It is structured and comprehensive, yet customized to fit SMPC’s specific objectives and context. The process is inclusive, incorporating the knowledge and perspectives of all relevant stakeholders. Furthermore, it is dynamic and responsive to internal and external changes, evolving knowledge, and other developments.

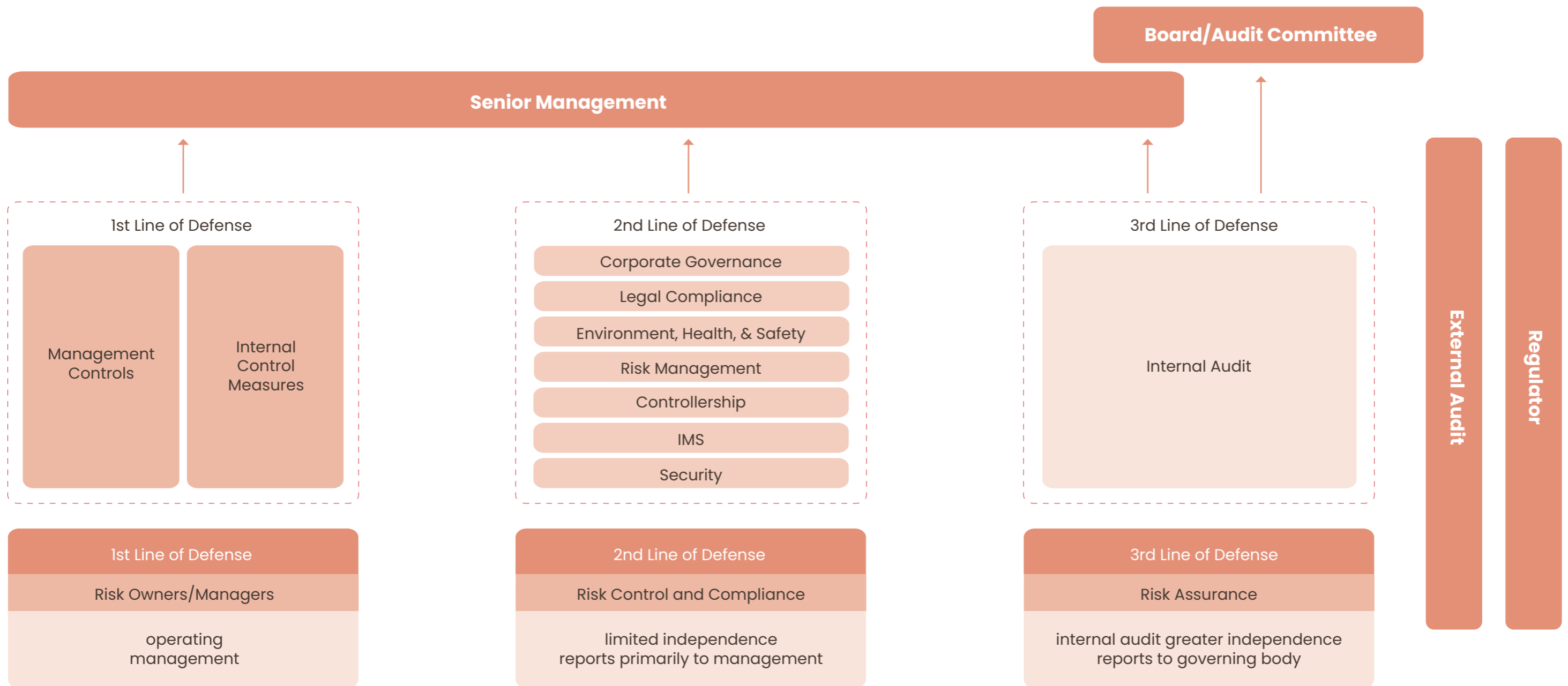
We employ a top-down and bottom-up approach to risk management, with activities occurring at strategic, macro, and micro levels. At the strategic level, the Board and Management oversee risk management, define and assess risks, formulate strategies and policies, and establish systems and controls to maintain acceptable risk levels. At the macro level, the Chief Risk Officer (CRO) and units like Internal Audit and Compliance develop risk management policies and procedures, and monitor the Group’s risk identification, assessment, control, and monitoring processes. Functional areas, including Controllership, Environment & Safety, Security, IMS, Legal and Compliance, and Risk Advisory, act as the “second line of defense.”

Effective risk management at SMPC relies on continuous communication and consultation with both internal and external stakeholders. Open communication ensures everyone understands the risks involved in our activities and the corresponding response strategies, while ongoing consultation supports informed decision-making and provides valuable feedback to ensure the risk management process remains effective and aligned with our organizational objectives.



Risk Governance

Group/Individual Involved	Responsibilities
Board of Directors	Leads our risk governance strategy following definition, analysis, and evaluation
Risk Committee	Oversees the effectiveness of our risk management practices and reports on significant and emerging risks to the Board
Chief Risk Officer	Leads the implementation and continual improvement of the ERM framework



Risk Management Programs

An effective risk management program allows us to ensure the success of our operations amid an evolving economic landscape.

Risk identification is paramount in SMPC’s risk management process, requiring the identification of internal and external risks and opportunities, including their sources, causes, and impacts across all business areas. This process also considers emerging significant risks that could affect the achievement of our objectives. Following identification, risk analysis involves understanding each risk and assessing its likelihood and potential impact on the organization. Finally, risk evaluation determines if the risk falls within SMPC Group’s risk appetite, enabling the organization to prioritize risks and determine the need for treatment, further analysis, or alternative action.

Climate Risk Management

At SMPC, climate-related risk is a key principal risk we need to address proactively. Climate-related risks, particularly those stemming from recent extreme weather events, fall into two main categories: physical and transition risks.

Physical risks arise from the direct impacts of climate change, potentially causing financial losses through asset damage and operational or supply chain disruptions. These risks can also manifest in changes to water availability, sourcing, and quality; food security; and extreme temperature fluctuations, all of which can affect an

organization’s premises, operations, supply chain, transportation, and employee safety. Physical risks are further classified as acute, referring to event-driven occurrences like intensified cyclones, hurricanes, or floods, and chronic, describing long-term shifts in climate patterns such as sea level rise or prolonged heat waves.

Transition risks arise from unplanned and abrupt changes to businesses, policies and assets as we adapt to a changing climate and transition to a greener and climate-resilient economy. These risks can involve significant policy, legal, technological, and market shifts necessary for climate change mitigation and adaptation. For example, market risks stem from supply and demand fluctuations for commodities, products, and services due to climate-related factors. Technology risks involve uncertainties in the development and adoption of low-carbon technologies.

In 2024, SMPC further enhanced its capacity to manage climate and sustainability risks, including transition risks, by collaborating with third-party experts in the field.

Business Continuity Management

To minimize damage and expedite recovery, SMPC has developed a Business Continuity Plan (BCP) encompassing comprehensive disaster mitigation measures and strategies to shorten the recovery period. We continuously improve our BCM programs through stakeholder risk scenario assessments, policy and procedure revisions, and regular program effectiveness evaluations. Our BCPs are subjected to periodic reassessment and testing to ensure

their effectiveness to be responsive with the current risk profile of the business.

In 2024, engagement with process owners was pursued to strengthen BCP programs in key areas. The series of natural disasters impacting company operations provided valuable lessons, turning challenges into opportunities for improvement.

Information Technology (IT) and Operational Technology Risk Management

The rising threat of cyber attacks pose significant risks to our technical infrastructure, data and overall operations. Such attacks could potentially lead to financial losses, reputational damage and disruption to our business.

Cyberattacks make it even more essential for us to oversee and monitor our cybersecurity, IT infrastructure and other technology-enabled processes. Our IT governance framework oversees these areas, ensuring all IT and operational technology risks

are identified and reported to the Board Committee and Management.

We are also aware of the rapidly evolving use of Artificial Intelligence in all fields. While this new technology has many benefits in mining operations, offering a wide range of uses that can improve efficiency, safety and sustainability, there are also many risks involved.

We have started rolling out internal policies related to AI. We are exploring options on how to best utilize AI into our workflows. We established an AI team to focus on incorporating data analytics in different aspects of the organization and we explored strategic partnerships with technical experts and organizations to implement AI applications in our sustainability efforts.

At the same time, we have started building up our OT Cybersecurity capabilities in our Power Plants and establish an OT Cybersecurity resiliency roadmap.



Risk Performance 2-16

Occupational Health, Safety, and Physical Security remains the topmost risk in SMPC’s mining segment. This is mainly driven by its level of business impact and the high risk likelihood as a result of the nature of its operations. We make it a top commitment to improve the health and safety of our employees, and thus we continue to review our safety measures to mitigate future accidents.

In our power segment, Asset Performance remains the topmost risk out of all identified domains. The above assessment is based on impact and likelihood. With the new IFRS requirement, we now evaluate risks from both financial and technical perspectives; regardless, the fundamental risks to our coal and power businesses remain the same.

Key Business Risk	Description
Asset Performance	Operational risks that arise due to inefficiency and ineffectively utilizing the organization’s assets in executing the company’s business model and achieving the company’s quality, cost, time, and performance objectives.
Climate-related and natural hazards	Refers to risk related to recent climate-related extremes. Climate-related risks are divided into two major categories: risks related to the physical impacts of climate change and risks related to the transition to a lower carbon economy.
Compliance and Reputation	Risks related to regulatory and legal compliances, compliance obligations arising from the environmental, workplace health and safety, community issues, contractual obligations, loss of investor or market confidence, and/or reputational damage.
Information Technology	Risks to the organization that could occur due to the threats and vulnerabilities associated with the operation and use of information systems and the environments in which those systems operate.
OHS, Physical Security	Risks related to all aspects of health, safety, and security in the workplace. These risks refer to the assessment of activities, working environment, and working culture of employees that can lead to harm, injury, death, or illness.
People and Talent	Risks to the organization and its performance that can be attributed to the workforce. These risks refer to ‘attracting and retaining’ the talent needed for the organization to complete including key people movement, technical/professional capacity of the organization, talent management, war for talent, aging workforce, and succession planning among others.
Price Volatility and Supply/ Demand Balance/ Power Regulations, Competition and Commodity Trading	Risks arising from customer requirements/specifications and instability and losses in the financial market caused by movements in market fundamentals such as stock prices, currencies, commodities, interest rates, credit liquidity price, and foreign currency.
Procurement and Inventory Management	Risks related to the inadequacy or failure of the procurement process designed to purchase services, products or resources such as inadequate needs analysis, poor supply chain management, vendor management, inefficient contract management, fraud and corruption, inventory and materials management.



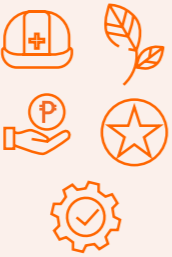

Our Impact Criteria

Key Business Risk	Impacts	Measures	Key Events	Risk Management
<p>Occupational Health and Safety</p> <p>Working activities and conditions that can lead to harm, ill-health, injury, illness and death</p>		<ul style="list-style-type: none"> Zero fatality Reduced non-lost time injury Reduced non-lost time accident Reduced fire incidents Reduced equipment accidents Reduced occupational illnesses 	<ul style="list-style-type: none"> Fatal accidents: 2 direct employees of mining segment and 1 contractor of power segment 	<ul style="list-style-type: none"> Calibrated behavior-based OSH program towards safety maturity culture, focusing on systems and people implementation of merit-based safety performance scoring system Enhanced Risk Assessment and trainings including contractors
<p>Asset Performance</p> <p>Inefficient and/or ineffective power asset operations and mine production</p>		<ul style="list-style-type: none"> Asset availability and reliability Power net generation Strip ratio Cost per metric ton Fuel efficiency 	<ul style="list-style-type: none"> Improved power plant generation output and reduced incidence of prolonged unplanned outages Blended cheaper coal to commercial power plant fuel for cost efficiency Low coal quality from Narra pit 	<ul style="list-style-type: none"> Power Asset Management Plan Coal blending activity to meet coal quality requirement
<p>Price Volatility and Supply/ Demand Balance/ Power Regulations, Competition & Commodity Trading</p> <p>Price fluctuation and volatility due to geopolitical factor, energy regulation, supply-side and/or seasonal demand, and financial market</p>		<ul style="list-style-type: none"> Financial targets Market share (%) 	<ul style="list-style-type: none"> Observed increasing coal inventory due to low coal quality (unwashed and high sulfur) 	<ul style="list-style-type: none"> Effective planning through the development of an ICT-based system for coal optimization Optimize allocation of generation for Bilateral Contract Quantities (BCQ) and Spot Coal blending process to address high sulfur content
<p>People and Talent</p> <p>Challenges in attracting and retaining the needed talent to support the company's goals and objectives</p>		<ul style="list-style-type: none"> Retention rate Implemented succession plan 	<ul style="list-style-type: none"> High number of realized promotions resulted to low ready-now successor 	<ul style="list-style-type: none"> Succession planning for managers and critical positions

Legend:



Our Impact Criteria

Key Business Risk	Impacts	Measures	Key Events	Risk Management
<p>Procurement and Inventory Management</p> <p>Unavailability of critical materials and spare part</p>		<ul style="list-style-type: none"> Zero stockout of materials 100% on time delivery 	<ul style="list-style-type: none"> Reduced stock out incidence 	<ul style="list-style-type: none"> Improve Purchase to Pay Process
<p>Compliance & Reputation</p> <p>Inability to adhere and ineffectively manage our compliances obligations</p> <p>Loss of confidence from investors, customers, communities, and key stakeholders</p>		<ul style="list-style-type: none"> Asset availability and reliability Power net generation Strip ratio Cost per metric ton Fuel efficiency 	<ul style="list-style-type: none"> Improved power plant generation output and reduced incidence of prolonged unplanned outages Blended cheaper coal to commercial power plant fuel for cost efficiency Low coal quality from Narra pit 	<ul style="list-style-type: none"> Power Asset Management Plan Coal blending activity to meet coal quality requirement
<p>Climate and Sustainability</p> <p>Physical impact of extreme climatic conditions and readiness for low carbon economy</p> <p>Business resiliency on ESG events</p>		<ul style="list-style-type: none"> Business continuity and sustainability 	<ul style="list-style-type: none"> Climate risk and scenario analysis are pursued in 2024 and is ongoing Flooding in CPC and forced outages of Units 1 to 4 last October 2024 due typhoon Kristine 	<ul style="list-style-type: none"> Climate and sustainability roadmap Organization-wide climate and sustainability capacity building Engagement with key stakeholders Improve drainage system Enhance seawater intake system, coal conveying system, and other critical facilities to better withstand the impacts of frequent and intense typhoons
<p>Information Technology</p> <p>Vulnerabilities and threats to Information Technology (IT) and Operational Technology (OT) leading to operational disruption</p>		<ul style="list-style-type: none"> Zero disruption of IT services 	<ul style="list-style-type: none"> Implementation of high-speed satellite internet constellation service in remote areas within our operational control Attained 99.9% network and server availability Implementation of OT cybersecurity initiatives and programs 	<ul style="list-style-type: none"> Implementation of infrastructure for server virtualization Enhanced cybersecurity program, including awareness and technical trainings Physical security and access management controls Established resiliency roadmap and started OT Cybersecurity capability on Power Generation Assets

Legend:

 OHS
  Environmental
  Reputation
  Financial
  Regulatory
  Operations



Promoting Governance and Accountability

The SMPC Board of Directors ensures the implementation and effectiveness of our sustainability policies, with the ESG Committee providing oversight and guidance on key areas like safety, stakeholder engagement, and environmental management.

Governance and Sustainability Structure

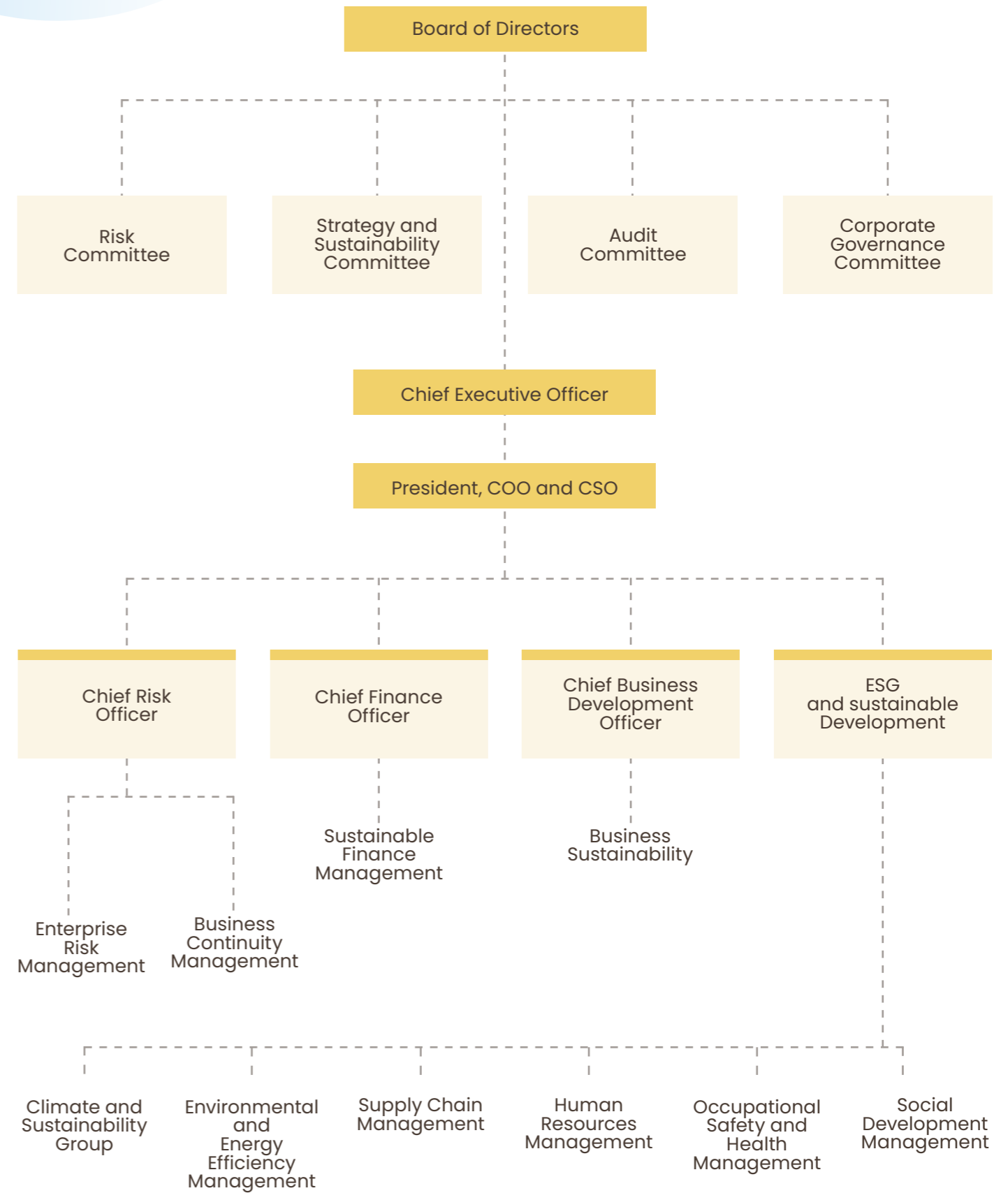
The Board of Directors is responsible for establishing our strategy and overseeing SMPC’s management and operations to ensure we achieve our targets.

SMPC’s Board governance framework aligns with global best practices and SEC corporate governance guidelines. Our Corporate Governance Committee is composed of at least three members, a majority of whom, including the Chairman, are independent directors with a strong understanding of corporate governance principles, the our business and is responsible for several key functions.

Our Chief Financial Officer identifies and reports the financially material climate-related risks and opportunities, evaluates

their financial impact to the organization and aligns our financial resource allocation to our low carbon strategy. In tandem, our Chief Business Development Officer leads the exploration and evaluation of potential opportunities and partnership to sustain growth and competitive advantage and consider their climate-related impacts to the relevant stakeholders.

At the corporate level, the Group Head of ESG, reporting directly to the CEO and COO, is responsible for implementing sustainability policies and achieving group targets. Each operation has dedicated environmental, health, safety, and community development teams to manage and deliver local initiatives and drive on-the-ground performance.





Corporate Governance Principles

Note: Our policies can be found at the SMPC website under "Corporate Governance and Code of Conduct and Business Ethics"

Responsibilities of the Board

- 1.** Long-term vision: A competent, working board fosters the organization's long-term success in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and stakeholders.
- 2.** Clear definition of roles: The fiduciary roles, responsibilities, and accountabilities of the Board are known to all directors, shareholders, and other stakeholders.
- 3.** Monitoring mechanism: Board committees ensure and support the effective performance of the Board's functions.
- 4.** Board Effectiveness: Directors devote the time and attention necessary to perform their duties and responsibilities properly and effectively.
- 5.** Board Independence: The Board endeavors to exercise objective and independent judgment.
- 6.** Regular performance appraisal: The Board maintains its effectiveness through a regular appraisal process.
- 7.** Ethics and Integrity: Board members are duty-bound to uphold high ethical standards in the interests of all stakeholders.

Stakeholder Relations

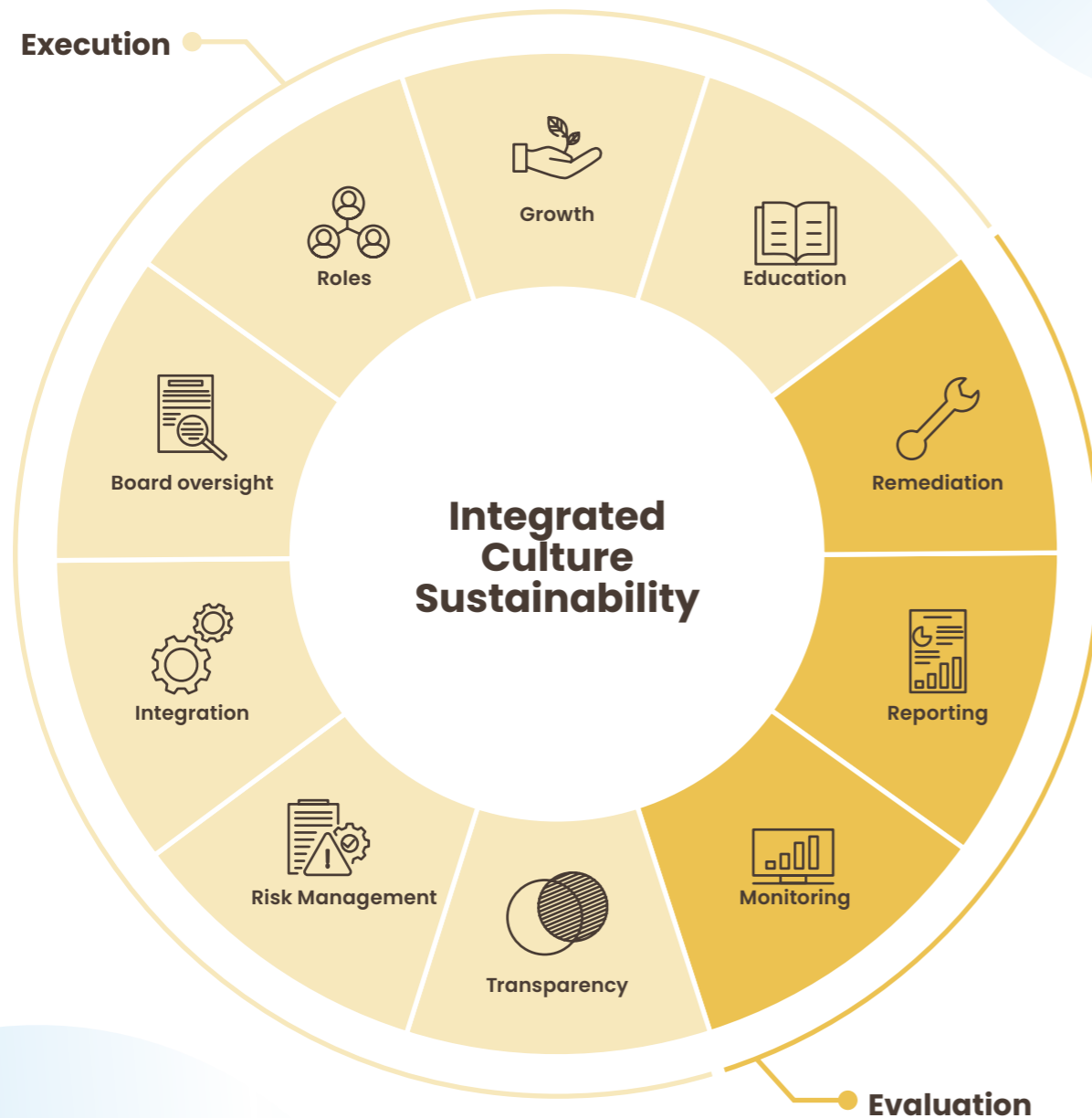
- 13.** Non-Discrimination: The Company treats all shareholders fairly and equitably.
- 14.** Protection of Rights: The rights of stakeholders established by law, contractual relations, and voluntary commitments must be respected. We are committed to providing stakeholders with the opportunity to obtain prompt, effective redress for the violation of their rights if at all they feel their interests are at stake.
- 15.** Employee Engagement: A mechanism for employee participation has been established to create a symbiotic environment, realize the Company's goals, and participate in its corporate governance processes.
- 16.** Collective Development: The Company seeks to be socially responsible in all dealings with communities surrounding our operations. The company strives to ensure that its interactions serve its environment and stakeholders positively and progressively, fully supporting comprehensive and balanced development.

Disclosure and Transparency

- 8.** Policy Effectiveness: The Company's corporate disclosure policies and procedures draw from best practices and adhere to regulatory expectations.
- 9.** External Audit: The Company has appropriate selection mechanisms for the appointment of an external auditor, and exercises effective oversight of its independence and audit quality.
- 10.** Materiality: The Company discloses material and reportable non-financial and sustainability issues.
- 11.** Transparent Communication: The Company maintains a panoramic and cost-efficient communication channel for disseminating relevant information about the company and its impacts for informed decision-making of our stakeholders.

Strong Internal Controls and Risk Enterprise Management

- 12.** The Company has a strong and effective internal control mechanism and an enterprise risk management framework to ensure integrity and transparency in governance.



Our corporate governance framework promotes a culture of ethical conduct, optimal performance, transparency, and accountability throughout our organization and subsidiaries. Adhering to the globally recognized OECD Principles of Corporate Governance, our framework governs the performance of the Board of Directors and Management in fulfilling their duties and responsibilities to all stakeholders, including stockholders, customers, employees, suppliers, creditors, business partners, government, and the communities where we operate.

In 2024, our Company fully complied with the principles and provisions outlined in our Manual on Corporate Governance. In 2024, SMPC continued to be an institutional member of the Shareholders' Association of the Philippines Inc. (SharePHIL), which promotes investor education, shareholder activism, and advocates for the protection of shareholders' rights.

Leadership

The Board of Directors 2-12

The Board of Directors is the primary governing body of SMPC, responsible for setting policies to achieve corporate objectives and providing independent oversight of management.

The Board consists of eleven directors (or a number specified in the Articles of Incorporation and By-Laws), elected by stockholders at regular or special meetings. Board membership may include both executive and a majority of non-executive directors, including at least two independent directors.

These independent directors must possess the qualifications and stature necessary to effectively participate in Board deliberations, ensure proper checks and balances (including conflict of interest prevention), exercise independent judgment on corporate affairs, provide proper oversight of managerial performance, and balance competing corporate demands.

A majority of non-executive directors further protects SMPC's interests over those of individual stakeholders. The Board will also adopt a policy on Board diversity to optimize decision-making.

Board Composition

11

Board Members



*Our Executive Directors did not serve on more than two boards of listed companies outside our parent company, DMCI Holdings Inc., during the year.

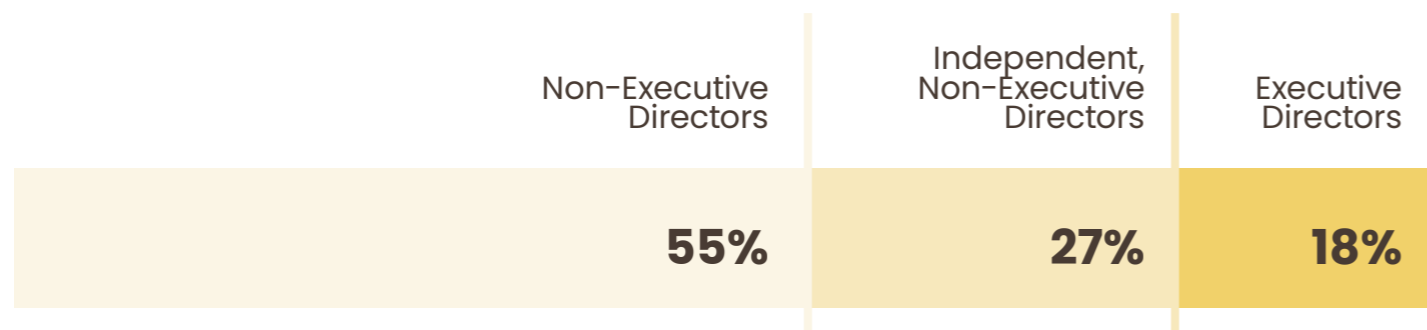
**An Independent Director can be elected to only five companies within the DMCI Group conglomerate

*** In 2024, our Non-Executive Director, Cesar A. Buenaventura held more than five directorships in publicly listed companies. His concurrent directorships have not affected his effectiveness in exercising his roles and responsibilities.

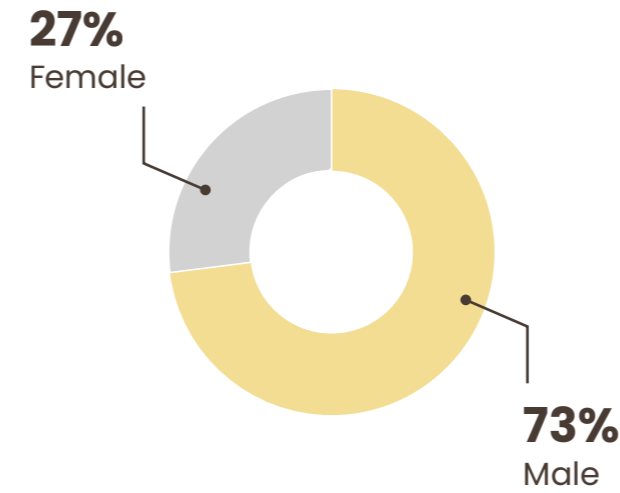
Board Diversity



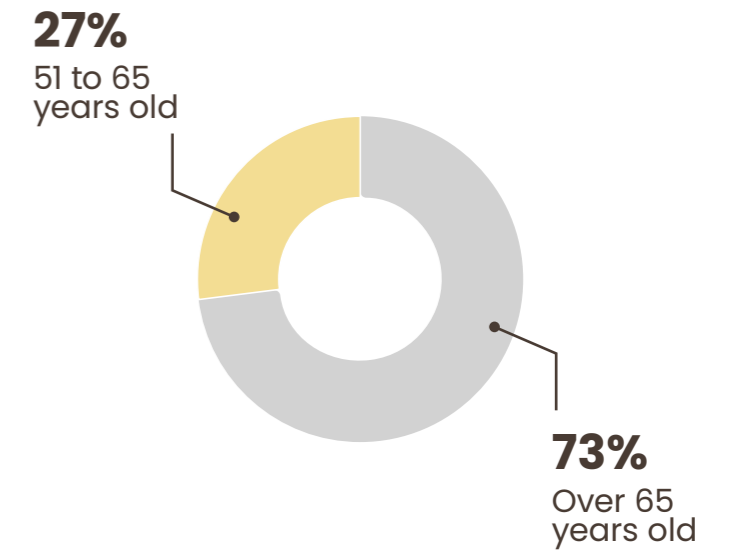
By Independence



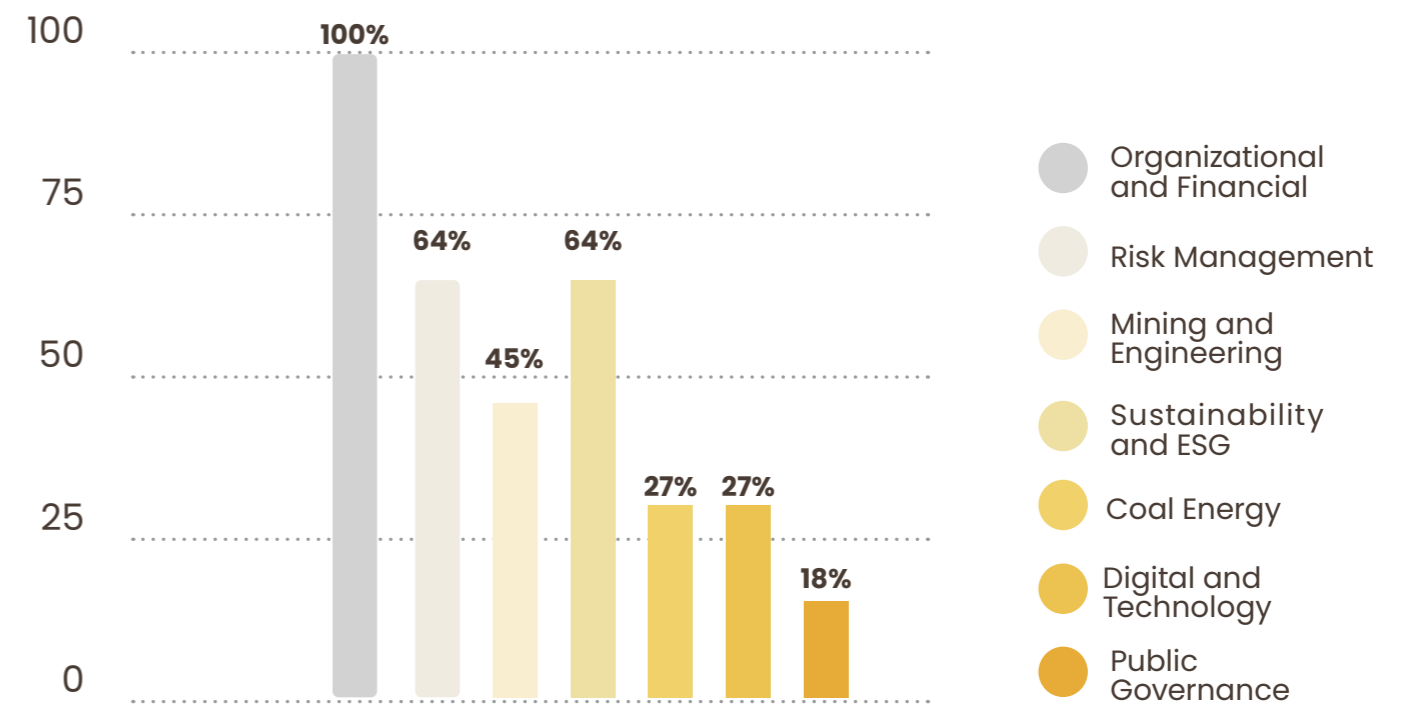
By Gender



By Age



By Expertise (in %)



Nomination and Selection 2-10

The Corporate Governance Committee oversees the nomination and election process for SMPC’s Directors, defining the desired Board member profile and ensuring the Board possesses the necessary knowledge, competencies, and expertise. This includes establishing guidelines for nominating independent, executive, and non-executive directors; identifying and evaluating candidate qualifications, skills, and experience aligned with our strategy, including considering potential conflicts of interest; recommending new director appointments and Board composition balance.

Attendance and Directorship in Other Boards

The Board holds regular quarterly meetings and may convene special meetings as needed, in accordance with the corporate By-Laws. In 2024, the Board held twelve (12) meetings, including the organizational meeting, and met the SEC’s minimum 50% attendance requirement. Board and Board Committee meeting attendance details are available in our SEC 17-A disclosure.

On May 6, 2024, the Chairmen of our Audit Committee, Risk Committee, and Corporate Governance Committee attended a virtual Annual Shareholders’ Meeting to answer potential shareholder queries on Committee topics.

On October 29, 2024, our non-executive directors held a meeting without the presence of our executive directors. The discussion focused on risks related to climate change, and business development matters.

Performance and Evaluation 2-17, 2-18

The Board conducts an annual self-assessment to evaluate the effectiveness of the Board as a whole, individual directors, and Board Committees. The Corporate Governance Committee establishes the criteria and process for this evaluation, considering Board/Committee responsibilities, structure, meetings, processes, and management support. Individual director assessments cover leadership, interpersonal skills, strategic thinking, and participation in Board and committee activities.

In 2024, the Board Performance Assessment was facilitated by the Corporate Governance Assistant Manager. In compliance with the Code of Corporate Governance for publicly listed companies, the 2023 SMPC Board Performance Assessment was facilitated by a third party Castillo Laman Tan Pantaleon and San Jose Law Firm.

Remuneration 2-19, 2-20, 2-21

The compensation and remuneration committee is responsible for establishing a formal and transparent process for developing director and officer compensation policies. The committee has at least three members, a majority of whom are independent directors. This ensures that remuneration aligns with SMPC’s culture, strategy and operating environment.


Personal loans or extensions of credit to Directors are prohibited under our Board Charter on Good Governance Guidelines unless with Board approval. In 2024, there were no loans approved.

Remuneration Summary	
Executive Director	Non-Executive Director and Independent Director
Fixed Retainer Fee PHP 240,000/annum*	Fixed Retainer Fee PHP150,000/month (or PHP1,800,000/ annum)**
Fixed Meeting Per Diem PHP 20,000/Committee Meeting attended*	Fixed Meeting Per Diem PHP20,000/Committee Meeting attended*


Succession Planning

The Corporate Governance Committee is responsible for Board succession planning, ensuring smooth transitions not only for Board membership but also for Committee membership, Board and Committee Chairs, and senior executive officer positions. The Committee provides an annual report to the Board on executive succession planning, including policies for Chairman and CEO selection and succession in case of emergency or retirement, with the full Board collaborating on evaluating and nominating potential successors. Additionally, the Committee periodically reviews executive succession plans for elected senior management officers with the Chairman and CEO.


Executive Succession Plan



Training and Development



Comprehensive SOPs and guidelines for key position successions



Integration of sustainability into corporate governance to foster effectiveness

Board Committees

2-9

Corporate Governance Committee

Members		
Francisco A. Dizon	Chairman	Independent Director
Ferdinand M. dela Cruz	Member	Lead Independent Director
Roberto L. Panlilio	Member	Independent Director
Main Oversight		
<ul style="list-style-type: none"> Nomination and selection process and criteria for directorship Board and Director performance and development CEO performance evaluation and review of related performance metrics Board and executive succession planning Key officers' appointment and movement Environmental, social and governance (ESG) strategy, framework, programs and performance Corporate governance 		

Note: The Corporate Governance Committee's accomplishments for the year are disclosed in our SEC 17-A Annual Report and I-ACGR

Audit Committee

Members		
Ferdinand M. dela Cruz	Chairman	Lead Independent Director
Francisco A. Dizon	Member	Independent Director
Roberto L. Panlilio	Member	Independent Director
Main Oversight		
<ul style="list-style-type: none"> Financial reporting process and integrity of the financial statements Internal control environment External and internal audit performance Related party transactions Compliance with legal and regulatory requirements 		

Note: The Audit Committee Annual Report to the Board of Directors is included our SEC 17-A, as well as our I-ACGR.

Risk Committee

Members		
Roberto L. Panlilio	Chairman	Independent Director
Ferdinand M. dela Cruz	Member	Lead Independent Director
Maria Cristina C. Gotianun	Member	Executive Director
Main Oversight		
<ul style="list-style-type: none"> Enterprise-wide risk management framework Risk governance Risk management practices and policies Oversight of climate-related risks 		

Note: The Risk Committee's accomplishments for the year are disclosed in our SEC 17-A Annual Report and I-ACGR.

Strategy and Sustainability Committee

Members		
Antonio Jose U. Periquet Jr.	Chairman	Non-Executive Director
Ferdinand M. dela Cruz	Member	Lead Independent Director
Roberto L. Panlilio	Member	Independent Director
Cesar A. Buenaventura	Member	Non-Executive Director
Isidro A. Consunji	Member	Executive Director
Maria Cristina C. Gotianun	Member	Executive Director
Main Oversight		
<ul style="list-style-type: none"> Corporate strategic directions, policies, and practices Business sustainability Sustainability development with consideration of climate-related risks and opportunities 		

Assurance 2-26

The Board governance framework at SMPC adheres to best practices on good governance globally, and SEC’s corporate governance guidelines. We have a clearly specified responsibility matrix for managing our economic, environmental, and social impacts as outlined below:

Monitoring our compliance to policies and standards

In line with the requirements of the industry that we belong to, we foster utmost discipline in monitoring our company’s adherence to regulatory obligations (in alignment with industry best practices).

Internal Audits

Our internal audit process is characterized by regular and frequent surveillance audits to ensure a culture of proactiveness with respect to compliance.

Environmental Monitoring

SMPC has a dedicated environmental unit that monitors the performance of all environmental initiatives on a monthly basis, to drive continuous improvement.

External Audits

We regularly invite external assurance parties and regulators to assess our adherence to the following:

- Government regulations
- Industry guidelines
- Internationally recognized standards (some of them which we voluntarily ascribe to)

Multi-sectorial Monitoring

A Multi-Partite Monitoring Team comprising various stakeholder teams including government representatives assists the company in evaluating SMPC’s compliance to the clauses of the environmental compliance certificate, and other applicable laws and regulations. This monitoring is done on a quarterly basis.

Compliance with Philippines Regulation

We adhere to the regulations of regional government departments in the Philippines, including the Department of Energy and the Philippine Department of Environment and Natural Resources.

Conformance to Global Safety Standards and Sustainable Leading Practice

Our Coal operations have been ISO-certified for Quality, Environment, and OHS management systems for the past fifteen years and continue to be certified in 2024. Our Power subsidiaries, SEM-Calaca Power Corporation (SCPC) and Southwest Luzon Power Generation Corporation (SLPGC) have been maintaining standards on international certification on Quality, Environmental, OHS management systems over the previous seven years.



Communication Beyond Compliance

We aim to provide investors with timely, relevant, and accurate information about our financial performance, operational highlights, and strategic direction, while adhering to insider information guidelines and other company policies. Recognizing our responsibility to advance shareholder interests and support their investment decisions, we will maintain open communication through regulatory filings, investor meetings, analyst briefings, shareholder presentations, and investor conferences.

Our company disclosures include the following:

- Board Attendance and Changes
- Quarterly Financial Reports
- Changes in Shareholdings of Directors, Principal Officers, and Beneficial Owners
- List of Top Shareholders
- Compliance Report on Corporate Governance

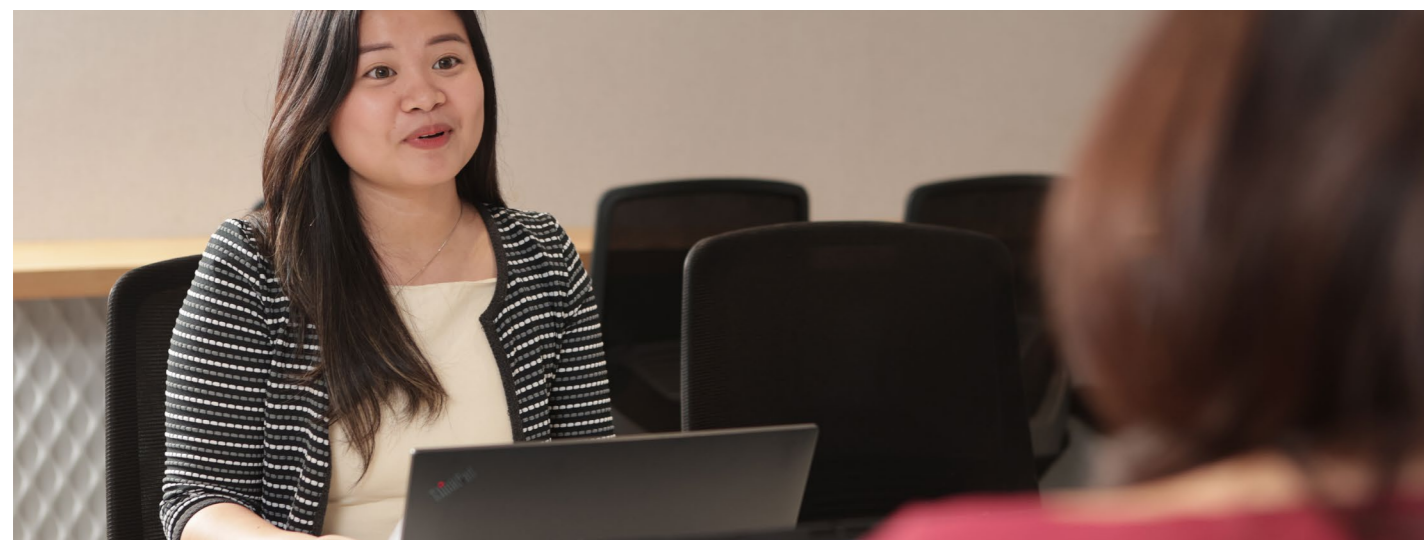
Investor Relations

We are committed to open and consistent communication with shareholders, within the boundaries of insider information guidelines and company policies. Corporate information is disclosed promptly and transparently to both individual and institutional shareholders through various communication channels.

Our parent company, DMCI Holdings, in collaboration with the Office of SMPC CFO, holds responsibility for investor relations.

Our IR contact information is provided below:

Email:
Investor_Relations@Semirarampc.com
Telephone:
+632 8888-3000



Investor Engagement Platforms

Annual Shareholders' Meeting
(Virtual Meeting)

May 6, 2024

Analyst Briefings (Virtual Meetings)

Q4/FY 2023 Earnings Call Briefing
February 29, 2024

Q1 2024 Earnings Call Briefing
May 6, 2024

Q2/H1 2024 Earnings Call Briefing
August 2, 2024

Q3/9M 2024 Earnings Call Briefing
November 4, 2024

Investor Conference

BDO Securities TradeTalks
March 18, 2024

PSE Strengthening Access and Reach
(STAR): Investor Day
August 15, 2024

Shareholder Welfare

SMPC respects stockholders’ rights as outlined in the Corporation Code, including voting rights, inspection of corporate records, access to information, dividend rights, and appraisal rights. The Board ensures fair and equitable treatment of all stockholders, disclosing these basic rights in the Manual of Corporate Governance and on the company website. To promote transparency and fairness in stockholders’ meetings, the Board publishes voting results the next working day and meeting minutes within the prescribed timeframe, encourages personal attendance, and facilitates proxy voting rights without undue restriction.

Proportional Voting

We strictly maintain a structure of “one vote per common share.” SMPC currently has no practice that awards disproportionate voting rights to select shareholders.

Share Repurchase

All shareholders are treated equally and fairly with regard to share repurchases.

Voting Rights

We are committed to upholding our shareholders’ rights to be informed, to participate in, and to vote on important matters during the Annual Shareholders’ Meeting.

Annual Stockholders’ Meeting

SMPC holds its Annual Stockholders’ Meeting (ASM) on the first Monday of May each year, providing a platform for shareholder communication and integrating them into core decision-making. The 2024 ASM was held virtually on May 6th, with precautions taken to ensure shareholder safety. Key company leaders, including the Chairman and CEO, Board Directors, President and COO, CFO, Corporate Secretary, Investor Relations Officer, other key officers, and external auditor SGV & Co., were present to address shareholder questions.

The Chairman of the Board and Chief Executive Officer, Board Directors, President and Chief Operating Officer, Chief Finance Officer, Corporate Secretary, Investor Relations Officer, other Key Officers, and the external auditor, SGV and Co., attended the 2024 ASM to answer any potential shareholder questions

Agenda of the Meeting

- Call to Order and Proof of Notice of Meeting
- Certification of Quorum
- Chairman’s Message
- Approval of Minutes of Previous Stockholders’ Meeting held on May 2, 2023
- Presentation and Approval of President’s Report
- Presentation and Approval of Audited Financial Statements for 2023
- Ratification of the Acts of the Board of Directors and Management from the Date of the Last Annual Stockholders’ Meeting up to the Date of this Meeting
- Election of Directors for 2024-2025
- Approval of Appointment of Independent External Auditor
- Other Matters
- Adjournment

Poll Voting

We give equal opportunities to all shareholders to vote in person, electronically, or in absentia, in our endeavour towards maintaining shareholder equality.

We adopted the following procedures for the virtual 2024 ASM:

- ▶ Poll voting was conducted for all resolutions instead of resorting to a “show of hands”.
- ▶ Votes were cast and counted for each agenda item.
- ▶ Voting results were presented for each agenda item during the meeting to inform the participants of all outcomes.
- ▶ Appointment of SGV and Co. as an independent body to count and validate votes from polls cast by the shareholders, for items stated in the agenda requiring approval and/or ratification.

Decision-making

Decisions based on shareholders’ concerns, such as the nomination of Board members and other essential matters, were discussed during the ASM.

Disclosure

The SEC and PSE published the outcomes of shareholder voting (approving, disapproving, or abstaining) for all resolutions within five working days. This information was also made public on the Company’s website on the day of disclosure.

The complete minutes of the 2024 ASM were disclosed and uploaded to our website. The content included attendance of Board Directors, officer attendance, and the Certification of Quorum. The upload was done within the prescribed five days following the ASM.

Stockholders’ Participation

Following the presentation of the Management Report by Maria Cristina C. Gotianun, President, Chief Operating Officer, and Chief Sustainability Officer, stockholders and guests presented their questions on the Management Report and company performance. Stockholders’ queries and Management’s responses are encapsulated in the ASM minutes.



Our Duties to Stakeholders

2-24, 2-25

The Board identifies a broad range of stakeholders, from customers and employees to government and competitors, to foster collaboration that drives value creation, growth, and sustainability. Furthermore, the Board establishes clear policies and programs to ensure fair stakeholder treatment and protection, along with transparent communication. Stakeholder rights, whether established by law, contract, or voluntary commitment, must be respected, and stakeholders must have access to prompt and effective redress for any violations.



Code of Conduct and Business Ethics	Policies, soft controls, and assurance procedures that promote openness, integrity, and accountability within the organization.
Alternative Dispute Resolution Policy	Alternative dispute resolution processes for settling corporate governance disputes and shareholder/stakeholder differences.
Whistleblowing Integrity Reporting Mechanisms 2-25	Secure reporting avenue for stakeholders to raise valid complaints and confidential concerns such as fraud, human rights concerns, questionable, and unethical transactions in good faith.
Gift and Entertainment Policy	Prohibition on employees receiving gifts, benefits, or interest from suppliers, customers, or business partners that could reasonably be interpreted as inducing favoritism over others.
Conflict of Interest Policy 2-15	Directors, officers, and employees are required to submit a single transaction Disclosure statement of indirect financial interest in contract or purchase proposed to be entered into by the Company.
Anti-Corruption and Bribery Policy	Prohibition on all forms of bribery and corruption that breach any applicable law as they cause market distortions and curtail economic, social, and political development in the country.

Code of Conduct

The Board adopts a Code of Conduct and Business Ethics, outlining standards for professional and ethical behavior, defining acceptable and unacceptable conduct in internal and external interactions, and considering stakeholder interests. This Code is disclosed and made available on the Corporation’s website. The Board also ensures internal controls are in place for the proper and efficient implementation and monitoring of compliance with the Code and internal policies.

Human rights awareness is created both through internal training and exposure to external forums. Our suppliers and business partners are also expected to uphold responsible and ethical supply chain management practices and corporate citizenship principles including human rights and fair play. We mandate that our suppliers, contractors, and business partners adhere to these clauses and also display proactiveness in taking corrective action in the event of non-compliance; otherwise, our business agreements with them are terminated.



Stakeholders / Policies	Description
Employees	
<ul style="list-style-type: none"> ▶ Safety, Health, and Welfare Policy ▶ Training and Development ▶ Workplace and Contractor Safety ▶ Employee Engagement Programs 	We seek to maintain a safe, healthy workplace in which employees thrive and grow. To this end, we have put the above policies in place along with technical and soft skills training.
Customers	
<ul style="list-style-type: none"> ▶ Customer Welfare Policy 	Our customer welfare policy outlines clauses such as right to information, high quality service, responsible marketing, customer privacy, transparency, resolutions, and complaints.
Suppliers and Contractors	
<ul style="list-style-type: none"> ▶ Supplier and Contractor Policy 	Our partnerships with suppliers are characterized by high weightage to sustainability and responsibility, which is reflected in the supplier / contractor policy. Clauses such as sustainability accreditation, monitoring of procurement procedures, and supplier review and selection form a part of this policy.
Creditors and Business Partners	
<ul style="list-style-type: none"> ▶ Safeguarding Creditors’ Rights Policy 	Meeting obligations to creditors and business partners on time is a watertight commitment that we seek to adhere to. To ensure this, we implement operational and fiscal management measures to secure our financial status and preserve repayment capability. The policy also outlines guidelines on fair transactions and confidentiality of proprietary information.
Government	
<ul style="list-style-type: none"> ▶ Integrated Management Policy 	We strive to maintain continual engagement with government agencies and foster a working relationship – not only by adhering to government regulations, but also by committing to transparency and continuous collaboration.
Communities and Environment	
<ul style="list-style-type: none"> ▶ Social Development Program ▶ Environmental Policy ▶ Climate Change Policy ▶ Environmental Stewardship Program 	At SMPC, we aim to support self-sustaining communities surrounding our operations. Therefore, we run social and environmental programs that improve access to education, livelihood, and healthy ecosystems. We also seek to maintain an active communication channel with communities on environmental issues resulting from our operations and our efforts on rehabilitation and restoration.



Transaction Policies

2-15

The following policies demonstrate our unwavering commitment to maintaining corporate behavioral standards of the highest order.

	Coverage	2024 Compliance
Policy on Insider Trading	<ul style="list-style-type: none"> Prohibits insider trading among Directors, officers, and employees Requires prior Stock-Trading reporting protocol for Directors and officers to notify the Legal Department 	There was no insider trading case violation reported.
Related Party Transactions (RPT) Policy	<ul style="list-style-type: none"> Requires Directors, officers, and key management personnel to notify Audit Committee or Corporate Counsel of an immediate family members' past, present, or potential RPT Requires Independent Director's review of material RPTs 	All actual RPTs were conducted in arms-length terms.
Material Related Party Transactions Policy	Requires two-thirds approval vote of the Board with at least a majority of the Independent Directors, of all transactions of SMPC and subsidiaries meeting the materiality threshold of RPTs amounting to 10% or higher of SMPC's Total Consolidated Assets based on its latest audited consolidated financial statement	There was no material-related party transaction that breached the prescribed SEC materiality threshold during the year.





Our Leadership

Board of Directors



ISIDRO A. CONSUNJI, 76

Filipino, Executive Director
Chairman and Chief Executive Officer
2024 Strategy and Sustainability
Committee, Member

Board Appointment

First appointment as Chairman
November 2014
First appointment as a director
May 2001
Date of last re-election as a director
May 6, 2024

Present Directorship in Listed Companies

DMCI Holdings, Inc.
(within Company Group)
Atlas Consolidated Mining
and Development Corporation
CEMEX Holdings Philippines, Inc.

Education

BS Civil Engineering
University of the Philippines Diliman

Master of Business Economics
*Center for Research & Communication
(now University of Asia and the Pacific)*

Master of Business Management
Asian Institute of Management

Advanced Management
IESE School, Barcelona, Spain

Honorary Doctorate in Management
Asian Institute of Management

Other Directorships

Asian Institute of Management
Dacon Corporation, Chairman
DMCI Masbate Power Corporation
DMCI Mining Corporation
DMCI Projects Developers, Inc.
D.M. Consunji, Inc.
ENK Plc (U.K.)
M&S Company Inc.
Maynilad Water Services
Private Infra Dev Corp., Director
SEM-Cal Industrial Park Developers Inc.
Sem-Calaca Port Facilities Inc.
SEM-Calaca Power Corporation
Semirara Cement Corporation
Semirara Energy Utilities Inc.
Semirara Materials and Resources Inc.
Southeast Luzon Power Generation
Corporation
Southwest Luzon Power Generation
Corporation
St. Raphael Power Generation Corporation
Toledo Mining Corporation Plc (U.K.)



MARIA CRISTINA C. GOTIANUN, 70

Filipino, Executive Director
President, Chief Operating Officer,
and Chief Sustainability Officer
2024 Risk Committee, Member
2024 Strategy and Sustainability
Committee, Member

Board Appointment

First appointment as a director
May 2006
Date of last re-election as a director
May 6, 2024

Present Directorship in Listed Companies

DMCI Holdings, Inc.
CEMEX Holdings Philippines, Inc.

Education

BS Business Economics
University of the Philippines Diliman

Other Directorships

D.M. Consunji, Inc.
Dacon Corporation
Divine Word School of Semirara Island, Inc.
DMCI Masbate Power Corporation
DMCI Power Corporation
Sem-Cal Industrial Park Developers Inc.
Sem-Calaca Port Facilities Inc.
Sem-Calaca Power Corporation
Semirara Energy Utilities Inc.
Semirara Materials and Resources Inc.
Semirara Training Center, Inc.
Southeast Luzon Power Generation
Corporation
Southwest Luzon Power Generation
Corporation
St. Raphael Power Generation Corporation



CESAR A. BUENAVENTURA, 95

Filipino, Non-Executive Director
2024 Strategy and Sustainability
Committee, Member

Board Appointment

First appointment as a director
May 2001
Date of last re-election as a director
May 6, 2024

**Present Directorship
in Listed Companies**

Concepcion Industrial Corporation
DMCI Holdings, Inc. (within Company
Group)
International Container Terminal
Services, Inc.
PetroEnergy Resources Corporation
Manila Water Company, Inc.

Education

BS Civil Engineering
University of the Philippines Diliman

Master's Degree Civil Engineering Major
in Structures
*Lehigh University, Bethlehem,
Pennsylvania (Fullbright Scholar)*

Other Directorships

Bloomberg Cultural Foundation
Cavitex Holdings, Inc.
D.M. Consunji, Inc.
ICTSI Foundation
Mitsubishi Hitachi Power Systems Phils Inc.
Pilipinas Shell Foundation, Inc.
Semirara Cement Corporation
The Country Club
Via Technik Inc.

Special Recognition

D.M. Consunji, Inc.
Honorary Officer, Order of the British
Empire by Her Majesty Queen Elizabeth II



JORGE A. CONSUNJI, 73

Filipino, Non-Executive Director

Board Appointment

First appointment as a director
May 2001
Date of last re-election as a director
May 6, 2024

**Present Directorship
in Listed Companies**

DMCI Holdings, Inc.
CEMEX Holdings Philippines, Inc.

Education

BS Industrial Management Engineering
De La Salle University, Manila

Advanced Management Program
Seminar
University of Asia and the Pacific
Top Management Program
Asian Institute of Management

Other Directorships

Cotabato Timberland Co., Inc.
D.M. Consunji, Inc.
DMCI Masbate Power Corporation
DMCI Mining Corporation
DMCI Power Corporation
DMCI Project Developers, Inc.
Eco-Process & Equipment Phils. Inc.
M&S Company, Inc.
Maynilad Water Services, Inc.
Royal Star Aviation, Inc.
Sem-Cal Industrial Park Developers Inc.
Sem-Calaca Port Facilities Inc.
Semirara Energy Utilities Inc.
Semirara Materials and Resources Inc.
Sodaco Agricultural Corporation
Southeast Luzon Power Generation
Corporation
Southwest Luzon Power Generation
Corporation
St. Raphael Power Generation Corporation





HERBERT M. CONSUNJI, 72
Filipino, Non-Executive Director

Board Appointment

First appointment as a director
May 2001
Date of last re-election as a director
May 6, 2024

Present Directorship in Listed Companies

CEMEX Company Philippines, Inc.,
President and CEO

Education

BS Commerce, Major in Accounting
De La Salle University

Top Management Program
Asian Institute of Management

Other Directorships

- DM Consunji, Inc.
- DMCI Holdings, Inc.
- DMCI Mining Corporation
- DMCI Power Corporation
- DMCI Project Developers, Inc.
- DMCI-MPIC Water Company Inc.
- Sem-Cal Industrial Park Developers Inc.
- Sem-Calaca Power Corporation
- Semirara Materials and Resources Inc.
- Southwest Luzon Power Generation Corporation
- Subic Water & Sewerage Corp.



MA. EDWINA C. LAPERAL, 63
Filipino, Non-Executive Director

Board Appointment

First appointment as a director
May 2007
Date of last re-election as a director
May 6, 2024

Education

BS Architecture
University of the Philippines

Master in Business Administration
University of the Philippines

Executive Certificate for Strategic
Business Economics Program University of Asia & The Pacific

Present Directorship in Listed Companies

DMCI Holdings, Inc.
(within Company Group)

Other Directorships

- D.M. Consunji, Inc.
- Dacon Corporation
- DMC Urban Property Developers, Inc.
- DMCI Project Developers, Inc.
- SEM-Calaca Power Corporation
- Southwest Luzon Power Generation Corporation



JOSEFA CONSUELO C. REYES, 77
Filipino, Non-Executive Director

Board Appointment

First appointment as a director
March 2015
Date of last re-election as a director
May 6, 2024

Education

AB Economics
University of British Columbia, Vancouver, Canada

Strategic Business Economics Program
University of Asia and the Pacific

Present Directorship in Listed Companies

Nil

Other Directorships

Dacon Corporation
Ecology Village Association
Philippine Coffee Board
SEM-Calaca Power Corporation
Southwest Luzon Power Generation Corporation



ANTONIO JOSE U. PERIQUET, JR., 63
Filipino, Non-Executive Director
2024 Strategy and Sustainability Committee, Chair

Board Appointment

First appointment as a director
March 2015
Date of last re-election as a director
May 6, 2024

Education

AB Economics
Ateneo de Manila University

Master of Science Economics
Oxford University, UK

Master in Business Administration
Darden Graduate School of Business Administration
University of Virginia, USA

Present Directorship in Listed Companies

Globe Telecom, Inc.
Universal Robina Corporation

Other Directorships

AB Capital & Investment Corporation
Albiza ASEAN Tenggara Fund (Singapore)
Campden Hill Group, Inc.
Lyceum of the Philippines University
The Straits Wine Co. Inc.



Ferdinand M. Dela Cruz, 57

Filipino, Lead Independent Director
 2024 Audit Committee, Chairman
 2024 Corporate Governance Committee, Member
 2024 Risk Committee, Member
 2024 Strategy and Sustainability Committee, Member

Board Appointment

First appointment as a director
March 2021
 Date of last re-election as a director
May 6, 2024

Education

Advanced Management Program
Harvard Business School
 BS Mechanical Engineering
 (Cum Laude)
University of the Philippines

Present Directorship in Listed Companies

Nil

Other Directorships

Franklin Baker Company of the Philippines
 Institute for Solidarity in Asia, Inc.
 Institute of Corporate Directors
 U.P. Engineering R&D Foundation, Inc.



Roberto L. Panlilio, 70

Filipino, Independent Director
 2024 Risk Committee, Chair
 2024 Audit Committee, Member
 2024 Corporate Governance Committee, Member
 2024 Strategy and Sustainability Committee, Member

Board Appointment

First appointment as a director
March 2023
 Date of last re-election as a director
May 6, 2024

Education

Master in Business Administration and International Finance
University of Southern California
 Bachelor in Business Management
Ateneo de Manila University

Present Directorship in Listed Companies

DMCI Holdings, Inc.
 Lopez Holdings Corporation

Other Directorships

Endeavor Philippines
 L&R Corporation
 Maya Bank
 Philippine Association of Securities Brokers and Dealers, Inc.

Key Officers



FRANCISCO A. DIZON, 75

Filipino, Independent Director,
2024 Corporate Governance
Committee, Chair
2024 Audit Committee, Member

Board Appointment

First appointment as a director
March 2023
Date of last re-election as a director
May 6, 2024

Education

Master in Business Management
Asian Institute of Management

Bachelor of Arts in General Studies
Ateneo de Manila University

Present Directorship in Listed Companies

Nil

Other Directorships

BPO International
Capitol Star Development Corporation
Diz Shorline Holdings Corp.
Fleetwood Holdings, Inc.
Joygrowth Holdings, Inc.
Joyzend Corp.
Laura Vicuña Foundation
Marina Investment, Inc.
Medical Doctors, Inc.
Pacific Northstar, Inc.
Phoenix One Knowledge Solutions, Inc.
Project Quest Corporation
Sun Savings Bank
Sun Star Cebu Publishing, Inc.



Isidro A. Consunji
Chairman of the Board and
Chief Executive Officer



Maria Cristina C. Gotianun
President, Chief Operating
Officer, and Chief
Sustainability Officer



Carla Cristina T. Levina
Vice President,
Chief Finance Officer



**Christopher
Thomas C. Gotianun**
Vice President, Chief Business
Development Officer

Key Officers 2-11



Ruben P. Lozada
Vice President,
Mining Operations and
Resident Manager,
and Chief Risk Officer
for Coal Segment



Charlie V. Robles
Vice President, Power
Complex Manager,
and Chief Risk Officer
for Power Segment



Jose Anthony T. Villanueva
Former Vice President,
Coal Marketing
**Retired January 27, 2025*



Andreo O. Estrellado
Vice President, Power Market
and Commercial Operations



Edgar C. Mariano
Vice President and Power
Complex Head for Technical
Services



Atty. John R. Sadullo
Vice President, Asset Registry
and Corporate Secretary,
and Corporate Information
Officer



Lora Liza S. Dioquino
Vice President, Human
Resources and Organization
Development



Atty. Julius M. Lotilla
Vice President, Legal Affairs
and Chief Compliance Officer

Financial Statements

STATEMENT OF BOARD OF DIRECTORS' RESPONSIBILITY FOR INTERNAL CONTROLS & RISK MANAGEMENT SYSTEMS

The Board of Directors ("Board") of SEMIRARA MINING AND POWER CORPORATION is responsible for the internal controls and risk management systems. The Board's Audit Committee assists in the oversight of the internal controls, financial reporting process, internal audit, external audit and compliance functions, while the Risk Committee assists in the oversight of the risk management process.

During the year, Management has established adequate and effective internal controls and risk management systems to provide reasonable assurance that:

- financial transactions are properly authorized, recorded and maintained to enable the preparation of financial statements that give a true, fair and transparent view of the Company's financial position and operating results; and
- governance processes and internal controls are strengthened, and significant risks are managed to ensure the achievement of the Company's business objectives.

Based on the assurance work performed by the internal and external auditors and the oversight duties performed by the Board's Audit Committee and Risk Committee, the Board is of the opinion that the Company's internal controls and risk management systems are adequate and effective.

February 28, 2025


Isidro A. Consunji
 Chairman and Chief Executive Officer


Ferdinand M. dela Cruz
 Audit Committee Chairperson


Roberto L. Panlilio
 Risk Committee Chairperson

STATEMENT OF MANAGEMENT’S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The management of **SEMIRARA MINING AND POWER CORPORATION** (the “Company”) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the year ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company’s financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.

February 28, 2025


Isidro A. Consunji
 Chairman and Chief Executive Officer


Maria Cristina C. Gotianun
 President, COO and CSO


Carla Cristina T. Levina
 Chief Finance Officer

AUDIT COMMITTEE REPORT TO THE BOARD OF DIRECTORS

For the Year Ended December 31, 2024

The Audit Committee (“Committee”) assists the Board of Directors (“Board”) in fulfilling oversight of the following matters consistent with its Board-approved Audit Committee Charter:

1. Internal control environment,
2. financial reporting process and the financial statements,
3. external audit performance,
4. internal audit performance, and
5. compliance with legal and regulatory requirements and reporting standards.

Members

The Audit Committee consists of three (3) Board members, all are Independent Directors.

The Committee is chaired by an Independent Director. Its members possess the requisite levels of financial and accounting competencies, experience and other qualification requirements set by the SEC. They also have adequate understanding of the mining business, energy and related industries to the Company’s business.

Audit Committee

Ferdinand M. dela Cruz Chairperson, Lead Independent Director	Roberto L. Panlilio Member, Independent Director	Francisco A. Dizon Member, Independent Director
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Meetings

The Audit Committee had five (5) full Committee meetings on February 20 and 26, May 2, 2024, August 1, 2024, and October 29, 2024, which included a private session with the external audit SGV partner on August 1, 2024. The senior executive officers, Finance, Marketing, Business Development, Operations, Internal Audit, Legal and Compliance, Corporate Governance and external auditor SGV & Co. are invited to the Committee Meetings to discuss financial reporting, compliance, financial performance results and forecast, and policy matters.

Work Done and Issues Addressed:

The Committee reviewed and discussed the financial performance and forecast, financial reporting and compliance, audit matters, internal controls and changes in financial policy of the Company. In 2024, the Audit Committee accomplished the following in compliance with its charter

1. Reviewed, approved and endorsed for Board approval the quarterly unaudited and annual audited consolidated financial statements of Semirara Mining and Power Corporation and its Subsidiaries as of and for the year ended December 31, 2024, ensuring that financial statements are in accordance with the required accounting and reporting standards.
2. Ensured that financial statements are in accordance with the required accounting and reporting standards
3. Reviewed significant related party transactions that meet the guidelines of the RPT Policy, Material RPT Policy and thresholds per SEC rules and regulations.
4. Discussed with SGV and Management significant financial reporting issues, audit observations, audit engagement plan and overall quality of the financial reporting process as well as regulatory updates in financial, tax, and sustainability and ESG reporting.
5. Reviewed and approved SGV's 2024 SGV engagement plan, scope, and fees.
6. Recommended to the Board the reappointment of SGV & Co. as external auditor in 2024 based on SGV's performance, independence, qualifications and with due regard of Management's feedback.
7. Discussed with SGV team the audit areas of emphasis, related party transactions, and fraud, if any.
8. Reviewed and approved for pre-concurrence SGV's list of non-assurance services.
9. Reviewed, deliberated and resolved the significant accounting policies and estimates affecting the financial statements.
10. Discussed with Internal Audit (IA) in a private session on February 20, 2024 the specific areas of concerns and challenges regarding compliance requirements.
11. Reviewed and discussed IA's 2023 annual report and results of assurance engagement work done during the period.
12. Reviewed IA's assurance work activities and monitoring of management action plans.
13. Reviewed and approved IA's 2024 risk-based Annual Plan for SMPC Group, work activity, budget and resources including subsequent revisions.
14. Reviewed the results of the Committee's evaluation of the internal audit function; and noted the 2023 Attestation of Internal Controls and Compliance and IA's 2024 Organizational Confirmation Independence.
15. Reviewed and discussed audit findings, internal control and compliance issues with Management, SGV & Co., Internal Audit, and ensured Management responded appropriately for the continual improvement and effectiveness of controls.
16. Discussed the results of the external quality assessment of the internal audit functions to evaluate if it conformed with International Standards for Professional Practice of Internal Auditing and Code of Ethics.
17. Reviewed the adequacy and effectiveness of the internal controls, information technology system, and risk management system based on reports provided internal and external auditors, and from Management's assessment of internal controls.
18. Exercised oversight and review of Management's governance and compliance issues and updates with potential financial impact.
19. Conducted a self-assessment of the Committee's performance based on SEC's Guidelines on Audit Committee's effectiveness and disclosed such assessment results.
20. The Committee Chairman and members attended the virtual Annual Stockholders' Meeting on May 6, 2024.

Based on the reviews and discussions referred to above, and subject to the limitations on the Committee's roles and responsibilities referred to above, the Audit Committee recommends to the Board of Directors the inclusion of the Company's audited consolidated financial statements as of and for the year ended December 31, 2024 in the Company's Annual Report to the Shareholders and for filing with the Securities and Exchange Commission.

February 28, 2025



Ferdinand M. dela Cruz
Chairman, Audit Committee

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Semirara Mining and Power Corporation
2/F DMCI Plaza
2281 Don Chino Roces Avenue
Makati City

Opinion

We have audited the consolidated financial statements of Semirara Mining and Power Corporation and its Subsidiaries (collectively, the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the **Audit of the Consolidated Financial Statements** section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Estimation on Coal Mining Properties

The Group's coal mining properties with a carrying value of ₱3,838.25 million as of December 31, 2024 are amortized using the units-of-production method. Under this method, management is required to estimate the volume of mineable ore reserves for the remaining life of the mine which is a key input to the amortization of the coal mining properties. This matter is significant to our audit because the estimation of the mineable ore reserves of the Group's coal mines requires use of assumptions and significant estimation from management's specialists.

The related information on the estimation of mineable ore reserves and related coal mining properties are discussed in Notes 3 and 9 to the consolidated financial statements.

Audit Response

We obtained an understanding on management's processes and controls in the estimation of coal mining properties. We evaluated the competence, capabilities and objectivity of management's internal specialists engaged by the Group to perform an assessment of the ore reserves by considering their qualifications, experience and reporting responsibilities. We reviewed the internal specialists' report and obtained an understanding of the nature, scope and objectives of their work and basis of estimates, including the changes in the reserves during the year. We performed back testing of prior year coal production forecast against the actual coal production during the year. We also tested the application of the estimated ore reserves in the amortization of mining properties.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jennifer D. Ticlao.

SYCIP GORRES VELAYO & CO.



Jennifer D. Ticlao
Partner

CPA Certificate No. 109616
Tax Identification No. 245-571-753
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-110-2023, September 12, 2023, valid until September 11, 2026
PTR No. 10465392, January 2, 2025, Makati City

February 28, 2025

SEMIRARA MINING AND POWER CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Years Ended December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 4, 30, 31 and 32)	₱9,466,892,791	₱18,986,929,983
Receivables (Notes 5, 19, 30 and 31)	7,569,681,007	10,766,377,921
Inventories (Notes 6, 9 and 21)	11,977,301,157	14,589,493,550
Other current assets (Note 7)	1,185,005,882	1,079,475,886
	30,198,880,837	45,422,277,340
Asset held-for-sale (Note 8)	-	713,218,205
Total Current Assets	30,198,880,837	46,135,495,545
Noncurrent Assets		
Property, plant and equipment (Note 9)	37,209,638,852	37,517,566,474
Deferred mine exploration cost (Note 10)	993,586,144	-
Right-of-use assets (Note 11)	80,458,849	97,608,500
Investment in associate (Note 12)	1,780,664,756	-
Deferred tax assets - net (Note 26)	696,071,414	767,660,407
Other noncurrent assets (Notes 13, 30 and 31)	234,656,959	610,112,053
Total Noncurrent Assets	40,995,076,974	38,992,947,434
	₱71,193,957,811	₱85,128,442,979
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Notes 14, 19, 30 and 31)	₱10,930,867,538	₱14,857,647,709
Income tax payable (Note 26)	291,281,634	425,427,270
Current portion of long-term debt (Notes 15, 30 and 31)	1,640,932,429	4,099,734,888
Current portion of lease liabilities (Notes 11, 30 and 31)	8,436,175	13,528,185
Total Current Liabilities	12,871,517,776	19,396,338,052
Noncurrent Liabilities		
Long-term debt - net of current portion (Notes 15, 30, 31 and 32)	993,812,125	2,626,597,661
Lease liabilities - net of current portion (Notes 11, 30, 31 and 32)	31,746,817	44,031,883
Provision for decommissioning and site rehabilitation costs (Notes 3 and 16)	388,398,309	353,871,687
Pension liabilities (Note 20)	348,135,612	281,932,125
Other noncurrent liabilities	41,792,731	47,692,881
Total Noncurrent Liabilities	1,803,885,594	3,354,126,237
Total Liabilities	14,675,403,370	22,750,464,289
Equity		
Capital stock (Notes 17 and 30)	4,264,609,290	4,264,609,290
Additional paid-in capital (Note 30)	6,675,527,411	6,675,527,411
Treasury shares (Notes 17 and 30)	(739,526,678)	(739,526,678)
Retained earnings (Notes 18 and 30):		
Unappropriated	39,677,885,187	45,551,667,126
Appropriated	6,800,000,000	6,800,000,000
Net remeasurement losses on pension plans (Notes 20 and 30)	(159,940,769)	(174,298,459)
Total Equity	56,518,554,441	62,377,978,690
	₱71,193,957,811	₱85,128,442,979

See accompanying Notes to Consolidated Financial Statements.

SEMIRARA MINING AND POWER CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
REVENUE FROM CONTRACTS WITH CUSTOMERS (Note 33)			
Coal	₱40,353,145,289	₱52,268,160,713	₱70,506,120,909
Power	24,841,154,472	24,692,254,731	20,622,571,798
	65,194,299,761	76,960,415,444	91,128,692,707
COSTS OF SALES (Notes 21 and 33)			
Coal	22,075,242,420	23,372,636,968	21,139,699,216
Power	11,087,379,657	9,536,873,419	8,615,452,181
	33,162,622,077	32,909,510,387	29,755,151,397
GROSS PROFIT	32,031,677,684	44,050,905,057	61,373,541,310
OPERATING EXPENSES (Notes 22 and 33)	(11,244,549,921)	(15,117,258,063)	(19,952,229,080)
INCOME FROM OPERATIONS	20,787,127,763	28,933,646,994	41,421,312,230
OTHER INCOME (CHARGES) - Net			
Finance income (Notes 24 and 33)	893,055,950	1,187,503,300	413,379,725
Finance costs (Notes 23 and 33)	(389,197,861)	(589,249,769)	(857,922,894)
Foreign exchange gains (losses) - net (Notes 30 and 33)	(113,601,060)	(175,807,586)	1,003,605,129
Share in net income of associate (Note 12)	10,719,077	-	-
Others - net (Notes 25 and 33)	618,779,907	725,624,255	242,561,516
	1,019,756,013	1,148,070,200	801,623,476
INCOME BEFORE INCOME TAX	21,806,883,776	30,081,717,194	42,222,935,706
PROVISION FOR INCOME TAX (Notes 26 and 33)	2,177,379,995	2,148,420,857	2,351,777,882
NET INCOME	19,629,503,781	27,933,296,337	39,871,157,824
OTHER COMPREHENSIVE INCOME (LOSS) item not to be reclassified to profit or loss in subsequent periods			
Remeasurement gains (losses) on pension plan (Note 20)	19,143,587	(71,842,953)	32,116,652
Income tax effect	(4,785,897)	17,960,738	(8,029,163)
	14,357,690	(53,882,215)	24,087,489
TOTAL COMPREHENSIVE INCOME	₱19,643,861,471	₱27,879,414,122	₱39,895,245,313
Basic/Diluted Earnings Per Share (Note 27)	₱4.62	₱6.57	₱9.38

See accompanying Notes to Consolidated Financial Statements.

SEMIRARA MINING AND POWER CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Stock (Note 17)	Additional Paid-in Capital	Treasury Shares (Note 17)	Retained Earnings		Net Remeasurement Loss on Pension Plan (Note 20)	Total
				Unappropriated (Note 18)	Appropriated (Note 18)		
Balances as of January 1, 2024	₱4,264,609,290	₱6,675,527,411	(₱739,526,678)	₱45,551,667,126	₱6,800,000,000	(₱174,298,459)	₱62,377,978,690
Comprehensive income							
Net income	-	-	-	19,629,503,781	-	-	19,629,503,781
Other comprehensive income	-	-	-	-	-	14,357,690	14,357,690
Total comprehensive income	-	-	-	19,629,503,781	-	14,357,690	19,643,861,471
Cash dividends declared (Note 18)	-	-	-	(25,503,285,720)	-	-	(25,503,285,720)
Balances as of December 31, 2024	₱4,264,609,290	₱6,675,527,411	(₱739,526,678)	₱39,677,885,187	₱6,800,000,000	(₱159,940,769)	₱56,518,554,441
Balances as of January 1, 2023	₱4,264,609,290	₱6,675,527,411	(₱739,526,678)	₱47,372,204,129	₱6,800,000,000	(₱120,416,244)	₱64,252,397,908
Comprehensive income							
Net income	-	-	-	27,933,296,337	-	-	27,933,296,337
Other comprehensive loss	-	-	-	-	-	(53,882,215)	(53,882,215)
Total comprehensive income (loss)	-	-	-	27,933,296,337	-	(53,882,215)	27,879,414,122
Cash dividends declared (Note 18)	-	-	-	(29,753,833,340)	-	-	(29,753,833,340)
Balances as of December 31, 2023	₱4,264,609,290	₱6,675,527,411	(₱739,526,678)	₱45,551,667,126	₱6,800,000,000	(₱174,298,459)	₱62,377,978,690
Balances as of January 1, 2022	₱4,264,609,290	₱6,675,527,411	(₱739,526,678)	₱28,753,790,517	₱6,800,000,000	(₱144,503,733)	₱45,609,896,807
Comprehensive income							
Net income	-	-	-	39,871,157,824	-	-	39,871,157,824
Other comprehensive income	-	-	-	-	-	24,087,489	24,087,489
Total comprehensive income	-	-	-	39,871,157,824	-	24,087,489	39,895,245,313
Cash dividends declared (Note 18)	-	-	-	(21,252,744,212)	-	-	(21,252,744,212)
Balances as of December 31, 2022	₱4,264,609,290	₱6,675,527,411	(₱739,526,678)	₱47,372,204,129	₱6,800,000,000	(120,416,244)	64,252,397,908

See accompanying Notes to Consolidated Financial Statements.

SEMIRARA MINING AND POWER CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱21,806,883,776	₱30,081,717,194	₱42,222,935,706
Adjustments for:			
Depreciation and amortization (Notes 9, 13, 21 and 22)	7,305,346,695	7,043,028,260	5,822,253,636
Finance costs (Note 23)	389,197,861	589,249,769	857,922,894
Pension expense (Note 20)	93,288,903	71,676,424	79,442,426
Share in net income of associate (Note 12)	(10,719,077)	-	-
Write-down of inventories, asset held-for-sale and property, plant and equipment (Notes 6, 8, 9 and 22)	-	76,094,595	210,752,009
Impairment loss on other current assets (Notes 7 and 22)	41,076	8,465,289	-
Gain on sale of equipment (Notes 9 and 25)	(5,862,002)	-	(423,256)
Provision for impairment losses on receivable and advances (Notes 5, 7, 13 and 22)	62,691,174	13,687,290	30,987,428
Net unrealized foreign exchange losses (gains)	193,722,505	198,097,226	(1,202,246,647)
Finance income (Note 24)	(893,055,950)	(1,187,503,300)	(413,379,725)
Recoveries from insurance claims and claims from third party settlement (Note 25)	(186,234,200)	(31,884,171)	-
Rental income	(5,900,150)	(5,900,150)	(5,900,159)
Reversal of allowance for inventory obsolescence (Note 6)	(3,476,479)	(79,863,727)	-
Operating income before changes in operating assets and liabilities	28,745,924,132	36,776,864,699	47,602,344,312
Changes in operating assets and liabilities: Decrease (increase) in:			
Receivables	3,129,855,975	(602,215,617)	(3,302,054,947)
Other current assets	(310,212,579)	(27,498,662)	(804,773,755)
Inventories	2,843,428,492	(1,528,789,106)	(1,834,800,222)
Increase (decrease) in:			
Trade and other payables	(5,390,274,720)	3,270,492,500	179,937,402
Provision for decommissioning and site rehabilitation costs	12,382,975	17,084,500	(27,329,512)
Cash generated from operations	29,031,104,275	37,905,938,314	41,813,323,278
Interest received (Note 24)	893,055,950	1,187,503,300	413,379,725
Interest paid	(369,585,652)	(558,340,720)	(830,275,139)
Pension settlement (Note 20)	(7,941,829)	(7,162,231)	(25,799,804)
Income taxes paid, including creditable withholding tax	(2,040,081,028)	(2,931,174,352)	(595,740,053)
Net cash provided by operating activities	₱27,506,551,716	₱35,596,764,311	₱40,774,888,007

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Property, plant and equipment (Notes 9 and 32)	(₱5,331,521,299)	(₱4,016,846,153)	(₱4,303,681,458)
Investment in associate (Note 12)	(1,772,139,996)	-	-
Deferred mine exploration cost (Note 10)	(993,586,144)	-	-
Computer software (Note 13)	(21,048,000)	(29,361)	(449,549)
Proceeds from:			
Sale of equipment (Note 9)	5,862,002	-	618,006
Sale of asset held-for-sale (Note 8)	110,103,245	603,114,960	-
Insurance claims (Note 25)	186,234,200	31,884,171	-
Decrease in other noncurrent assets	389,845,527	24,657,404	266,832,339
Net cash used in investing activities	(7,426,250,465)	(3,357,218,979)	(4,036,680,662)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Dividends (Notes 18 and 32)	(25,503,073,939)	(29,754,052,759)	(21,252,510,224)
Loans (Notes 15 and 32)	(4,102,314,285)	(3,489,414,286)	(4,901,914,286)
Principal portion of lease liabilities (Notes 11, 30 and 32)	(21,002,855)	(17,988,992)	(23,690,307)
Net cash used in financing activities	(29,626,391,079)	(33,261,456,037)	(26,178,114,817)
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	26,052,636	(47,717,775)	1,283,417,908
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(9,520,037,192)	(1,069,628,480)	11,843,510,436
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	18,986,929,983	20,056,558,463	8,213,048,027
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱9,466,892,791	₱18,986,929,983	₱20,056,558,463

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements:



<https://semiraramining.com/storage/app/media/2024%20Audited%20Financial%20Statements.pdf>

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<https://www.semiraramining.com/>



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Semirara Mining and Power Corporation



GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
General disclosures		
	2-1 Organizational details	6
	2-2 Entities included in the organization's sustainability reporting	2
	2-3 Reporting period, frequency and contact point	2
	2-4 Restatements of information	No restatements for the periods covered
	2-5 External assurance	Not applicable
	2-6 Activities, value chain and other business relationships	6
	2-7 Employees	74-75
	2-8 Workers who are not employees	74-75
	2-9 Governance structure and composition	117
	2-10 Nomination and selection of the highest governance body	116
	2-11 Chair of the highest governance body	131
	2-12 Role of the highest governance body in overseeing the management of impacts	114
	2-13 Delegation of responsibility for managing impacts	41-42
	2-14 Role of the highest governance body in sustainability reporting	32
	2-15 Conflicts of interest	121, 123
	2-16 Communication of critical concerns	105, 108
	2-17 Collective knowledge of the highest governance body	116
	2-18 Evaluation of the performance of the highest governance body	116
	2-19 Remuneration policies	116
	2-20 Process to determine remuneration	116
	2-21 Annual total compensation ratio	116
	2-22 Statement on sustainable development strategy	15-16, 17-18
	2-23 Policy commitments	39-40
	2-24 Embedding policy commitments	121
	2-25 Processes to remediate negative impacts	121

GRI STANDARD	DISCLOSURE	LOCATION
General disclosures		
	2-26 Mechanisms for seeking advice and raising concerns	31, 118
	2-27 Compliance with laws and regulations	37
	2-28 Membership associations	37
	2-29 Approach to stakeholder engagement	31
	2-30 Collective bargaining agreements	91
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32
	3-2 List of material topics	32
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	45
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	GRI 101: Biodiversity 2024 will supersede GRI 304: Biodiversity 2016 on 1 January 2026
	101-2 Management of biodiversity impacts	
	101-3 Access and benefit-sharing	
	101-4 Identification of biodiversity impacts	
	101-5 Locations with biodiversity impacts	
	101-6 Direct drivers of biodiversity loss	
	101-7 Changes to the state of biodiversity	
	101-8 Ecosystem services	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	45-53, 67
	304-2 Significant impacts of activities, products and services on biodiversity	45-53
	304-3 Habitats protected or restored	53-54
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	45-53

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	35
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	35-36
	201-2 Financial implications and other risks and opportunities due to climate change	39-40
	201-3 Defined benefit plan obligations and other retirement plans	Please see "Audited Financial Statement Notes to Financial Statement No. 18 "
	201-4 Financial assistance received from government	Please see "Audited Financial Statement Notes to Financial Statement No. 18 "
Market Presence		
GRI 3: Material Topics 2021	3-3 Management of material topics	78
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	78
	202-2 Proportion of senior management hired from the local community	78
Indirect Economic Impacts		
GRI 3: Material Topics 2021	3-3 Management of material topics	92
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	93-97
	203-2 Significant indirect economic impacts	99-103
Procurement Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	37
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	37

GRI STANDARD	DISCLOSURE	LOCATION
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not identified as a material topic
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	N/A, Not identified as a material topic
	205-2 Communication and training about anti-corruption policies and procedures	
	205-3 Confirmed incidents of corruption and actions taken	
Anti-competitive Behavior		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	N/A, Not identified as a material topic
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	N/A, Not identified as a material topic
Tax		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not identified as a material topic
GRI 207: Tax 2019	207-1 Approach to tax	N/A, Not identified as a material topic
	207-2 Tax governance, control, and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax	
	207-4 Country-by-country reporting	
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	68
GRI 301: Materials 2016	301-1 Materials used by weight or volume	68
	301-2 Recycled input materials used	N/A, Zero recycled materials used in mining coal, & generating electricity
	301-3 Reclaimed products and their packaging materials	N/A, Zero reclaimed materials used in mining coal, & generating electricity

GRI Content Index

GRI STANDARD	DISCLOSURE	Location
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	69
	302-1 Energy consumption within the organization	70
GRI 302: Energy 2016	302-2 Energy consumption outside of the organization	71
	302-3 Energy intensity	71
	302-4 Reduction of energy consumption	71
	302-5 Reductions in energy requirements of products and services	N/A, Energy requirement does not apply to SMPC's products, which are coal and electricity
Water and Effluents		
GRI 3: Material Topics 2021	3-3 Management of material topics	55
	303-1 Interactions with water as a shared resource	55
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	55
	303-3 Water withdrawal	56
	303-4 Water discharge	57
	303-5 Water consumption	57
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	64
	305-1 Direct (Scope 1) GHG emissions	64-65
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	64-65
	305-3 Other indirect (Scope 3) GHG emissions	64-65
	305-4 GHG emissions intensity	66
	305-5 Reduction of GHG emissions	66
	305-6 Emissions of ozone-depleting substances (ODS)	N/A, SMPC does not produce, import, and/or export ODS
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	63

GRI STANDARD	DISCLOSURE	Location
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	59
	306-1 Waste generation and significant waste-related impacts	59
GRI 403: Occupational Health and Safety 2018	306-2 Management of significant waste-related impacts	60
	306-3 Waste generated	60
	306-4 Waste diverted from disposal	60
	306-5 Waste directed to disposal	61
Supplier Environmental Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	72
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	72
	308-2 Negative environmental impacts in the supply chain and actions taken	72
Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	76
	401-1 New employee hires and employee turnover	76-77
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	79
	401-3 Parental leave	80
Labor/Management Relations		
GRI 3: Material Topics 2021	3-3 Management of material topics	91
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	91

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	85	
	403-1 Occupational health and safety management system	85	
	403-2 Hazard identification, risk assessment, and incident investigation	85	
	403-3 Occupational health services	86	
	403-4 Worker participation, consultation, and communication on occupational health and safety	83	
	GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	87
		403-6 Promotion of worker health	83
		403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	86
		403-8 Workers covered by an occupational health and safety management system	85
	403-9 Work-related injuries	89-90	
403-10 Work-related ill health	89-90		
Training and Education			
GRI 3: Material Topics 2021	3-3 Management of material topics	81	
	GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	81-83
		404-2 Programs for upgrading employee skills and transition assistance programs	81-83
	404-3 Percentage of employees receiving regular performance and career development reviews	81-83	

GRI STANDARD	DISCLOSURE	LOCATION
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	74
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	74-75
	405-2 Ratio of basic salary and remuneration of women to men	79
Non-discrimination		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not a material topic
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	N/A, Not a material topic
Freedom of Association and Collective Bargaining		
GRI 3: Material Topics 2021	3-3 Management of material topics	91
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	91
Child Labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	91
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	91
Forced or Compulsory Labor		
GRI 3: Material Topics 2021	3-3 Management of material topics	91
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	91

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION
Security Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	84
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	84
Rights of Indigenous Peoples		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not a material topic
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	N/A, Not a material topic
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	92
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	92-104
	413-2 Operations with significant actual and potential negative impacts on local communities	The actual negative impact of the Coal segment of SMPC on local communities is the dispersion of dust in the haul roads and coal conveyance system.
Supplier Social Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not a material topic
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	N/A, Not a material topic
	414-2 Negative social impacts in the supply chain and actions taken	N/A, Not a material topic
Public Policy		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not a material topic
GRI 415: Public Policy 2016	415-1 Political contributions	N/A, Not a material topic

GRI STANDARD	DISCLOSURE	LOCATION
Customer Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	91
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	91
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	0 customer complaints concerning product (i.e., coal) health and safety impacts
Marketing and Labeling		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not a material topic
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	N/A, Not a material topic
	417-2 Incidents of non-compliance concerning product and service information and labeling	N/A, Not a material topic
	417-3 Incidents of non-compliance concerning marketing communications	N/A, Not a material topic
Customer Privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A, Not a material topic
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A, Not a material topic

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