



SUSTAINABILITY REPORT 2020



About This Report

The 2020 Sustainability Report (the Report) is an annual assessment of Vivant Corporation's business performance and its impact to value creation and sustainable development for the company's stakeholders.

The Report covers and presents the value creation process of Vivant Corporation (Vivant or the Company), as a holding company. Given direct and significant impact to the Company's operating and financial performance, some of its unlisted, key and material investee operating companies shall likewise be subjects of this Report. Other companies where Vivant has a minority ownership are covered in the sustainability reports of its joint venture partners.

This Report presents discussions on the economic, environmental, social and governance performance of Vivant and its businesses for the period January 1, 2020 to December 31, 2020.

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

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

In determining the disclosure topics that are relevant for this Report, the materiality of a topic was assessed based on the following criteria:

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

Below presents the materiality process undertaken by Vivant.

Table 1: Materiality Process

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

Stakeholder Identification and Engagement

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

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

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

Despite the challenges met in 2020 brought about by the pandemic, Vivant exerted all efforts in ensuring **engagement strategies** for each **key stakeholder** were implemented.

Our Shareholders and Investors

Availability of pertinent information for the investing public
Use of various channels, including but not limited to regulatory-based reporting, to ensure timely dissemination

What concerned them in 2020?

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

2020 Initiatives

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

Our Business Partners

Conduct business professionally
Maximize value creation by considering core competencies of each partnership
Conduct of extensive due diligence prior to establishing new partnerships

What concerned them in 2020?

- Value contribution of Vivant
- Management and succession
- Work relationships
- Governance
- Financial capability and performance
- Reputation
- Professionalism and work ethic

2020 Initiatives

- Virtual meetings (Board, Management, Executive levels)
- Virtual strategic planning sessions
- Project team / committee meetings
- Regular coordination meetings
- Press releases / media coverage

Our Creditors and Banking Partners

Maintain good relations with reliable, responsible and financially sound banks
Maintain integrity, transparency and reliability with the timely dissemination of relevant and accurate information to partner banks

What concerned them in 2020?

- Credit risk
- Financial performance (profitability and liquidity)
- Business and industry outlook
- Heavy reliance on conventional power technology
- Potential high regulatory risk exposure due to highly regulated businesses
- Collection risk for its investee companies

2020 Initiatives

- Regular meetings to discuss financing requirements, market and project updates
- PSE and SEC disclosures
- Virtual roadshow to provide information for creditors and investors on capital raising
- Website
- Virtual annual stockholders meeting
- Press releases / media coverage

Our People

Provide strong support to its workforce during the pandemic

Timely cascade of key information

Ensure safe work environment and assist in the achievement of work-life balance

What concerned them in 2020?

- Company strategy and growth
- Compensation and benefits
- Job security
- Career pathing and development
- Work-life balance
- Work productivity / relationships
- Health and safety
- Medical coverage

2020 Initiatives

- Annual Kick-off / Townhall sessions
- Onboarding sessions
- Performance appraisals and quarterly performance conversations
- Key Talent Review sessions
- Candidate Referral program
- Company portal
- Chat and Brew with the executives
- Synergy series for executives, managers and staff
- Managers' huddles
- Online wellness talks
- Virtual special events
- Kumbati COVID-19 Day
- Work From Home guidelines
- Employee pulse surveys

Our Customers¹

Aim to understand customer concerns, particularly in the areas of product availability, reliability, quality and affordability

What concerned them in 2020?

- Availability and reliability of supply (both for power and water)
- Pricing / affordability of product provided (both for power and water)
- Liquidity concerns; billing settlement

¹ These are customers of the operating companies under the power and infrastructure arms of Vivant.

- Business outlook
- Quality of product / service
- Technical support
- Regulatory issues
- Fulfillment of contractual obligations (e.g. Power Supply Agreement)

2020 Initiatives

- On the ground monitoring by Industry Affairs and Business Development groups and Vivant Foundation
- Engagement with Local Government Units (LGUs) to understand needs of the communities
- Face to face meetings / periodic discussions with customers
- Public hearings
- Website and customer portals (for Corenergy)
- Social media
- Plant and facility tours
- Compliance with Bayanihan Act

Our Communities

Enhance and develop relationship with existing and new communities, respectively, by understanding and addressing their needs

What concerned them in 2020?

- Livelihood and employment generation
- Availability of basic necessities (e.g. power, clean and safe water)
- Food security
- Health and medical
- Education
- Environmental impact of projects
- LGU revenues
- Compliance with relevant permits and ordinances

2020 Initiatives

- Direct interactions with communities and concerned LGU / government agency (e.g. Department of Education)
- Information / Education campaigns
- Focus group discussions, public consultations, and hearings
- Community events and activities
- Online communication (e.g. Facebook)
- Market scoping by Business Development groups
- Table research and regular coordination by Vivant Foundation with government agencies (e.g. Department of Education)
- Vivant and Vivant Foundation's Corporate Social Responsibility (CSR) initiatives

Government Agencies and Regulators

Establish a 2-way channel with regulators to ensure concerns of both parties are heard and addressed

What concerned them in 2020?

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

2020 Initiatives

- Regular engagement with government agencies and regulators through various formal and informal channels
- Attendance in public consultations and conferences
- Submission of regular reports
- Updating/revising company policies to comply with latest policies/regulations
- Annual training for corporate governance

Other Stakeholders

Utilize and maximize various media channels to improve reach

Ensure accuracy and timely release of information

What concerned them in 2020?

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

2020 Initiatives

- Media briefings
- Direct coordination via emails and/or phone calls
- Regular updates through website, social media, phone calls
- PSE and SEC disclosures

Below is the list of material disclosure topics for Vivant covering the operating year 2020. [102-46, 102-47]

Table 2: Material Disclosure Topics

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

	Parental leave	INEC WMP Vivant Vivant Energy Vivant Foundation ETEI Corenergy 1590 EC CIPC DPI INEC WMP		401-3
404: Training and education	Ave hours of training per year per employee	Vivant Vivant Energy Vivant Foundation ETEI	Continuous learning for our team members should ensure the Company's sustainability.	404-1
	Percentage of employees receiving regular performance and career development reviews	Corenergy 1590 EC CIPC DPI INEC WMP		404-3
405: Diversity and equal opportunity	Diversity of governance bodies and employees	Vivant Vivant Energy Vivant Foundation ETEI Corenergy ET Vivant 1590 EC CIPC DPI INEC WMP	How diverse background, knowledge and experience bring value to the business.	405-1
413: Local communities	Operations with local community engagement, impact assessments and development programs	Vivant Corp	Sustainability development	413-1

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

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

Name of Company	Comments
Visayan Electric Company	Reported by Aboitiz Power Corporation
Therma Visayas, Inc.	Reported by Aboitiz Power Corporation
Cebu Private Power Corporation	Reported by Aboitiz Power Corporation
Cebu Energy Development Corporation	Reported by Metro Pacific Corporation
Sabang Renewable Energy Corporation	Not yet on commercial operations
Puerto Princesa Water Reclamation and Learning Center	Not yet on commercial operations

A Message From Vivant's President [102-14]

It would be impossible for any company to report on sustainability in 2020 without acknowledging what this means in the context of a global pandemic. We started 2020 with lined-up initiatives to sustain the momentum we had built the previous year. Like the rest of the world, when Covid-19 came upon us, the company took a necessary pause to evaluate and adjust its game plan.

Adaptability has been a central aspect of the way Vivant works. Mastering Change Agility is a core competency of the company that was truly evident in 2020. Our organization's resiliency was tried and tested given the challenges brought on by the pandemic. As a consequence of the disruptive event that took place, we experienced some delays in our initiatives. The quick and agile response of the team, however, allowed us to embrace new skills and ways of doing things to ensure we get the work done.

While Vivant has continued our vision of bringing excellence to industries that improve everyday living, our focus in 2020 shifted to maintaining excellence in sustaining everyday living in the context of almost daily redefinitions of what the "New Normal" would look like. This was true both internally, coming up with policies and methods to ensure the safety of our people while maintaining productivity in a Work From Home (WFH) quarantine setup, and externally where we continued to pursue projects both in the power and infrastructure space. Our social commitments likewise strengthened as we saw a marked increase in our corporate social responsibility initiatives.

It is perhaps timely that this unprecedented emergency came at a time when we were cementing structures with a focus on Business Continuity. Our priority was clear, and that was to ensure the safety of our people while maintaining productivity. When the entire country moved into strict quarantine conditions, Vivant mobilized quickly to ensure that online tools were adopted and optimized in order to be able to continue business, albeit in a more limited capacity, during lockdown. The way we conducted business, from daily meetings to strategic planning, was recalibrated to ensure balance of productivity with the physical and mental well-being of our people.

As lockdown restrictions were eased, we continued to adjust our protocols regarding physical presence at our offices. Entry was phased in conjunction with the quarantine conditions prescribed by the relevant government units. Health checks were done bi-monthly via regular testing of our Work In Office (WIO) population. We have also drafted and adjusted work travel based on government policies, which was one of the most limiting aspects to our continued work.

In all of this, constant communication with our people has taken a central role, always monitoring how our employees are feeling about the new course of business and taking

their input into consideration when drafting new policies. As well as our precautions on physical health, we have also understood the importance of mental health in a time of great uncertainty, providing online courses on how to cope not just with working from home, but other aspects of quarantine such as having the additional responsibility of monitoring and nurturing our children's education at home while still maintaining productivity. Most importantly, Vivant has maintained employment of all full-time employees while maintaining the contracts of all contractual employees, granting peace of mind at a time filled with uncertainties.

The year 2020 emphasized the importance of our primary sector of power and our new sector of water in our communities being able to function at a time of crisis. The need for reliable energy supply was more pronounced as consumption increased in the residential segment given the implementation of WFH protocols by most businesses. Inversely, industrial and commercial consumption have seen a dramatic decrease. The slowdown in the general economy resulted to liquidity issues for customers of our sole power distribution utility.

Despite all the restrictions, our Vivant Energy team soldiered on and proceeded with our growth initiatives. Isla Norte Energy Corporation (INEC), a 65% owned subsidiary, proceeded with its 23-MW power generation facility project in Bantayan. While construction is underway, power generator sets with a total capacity of 3 MW were rented to provide emergency supply to address the lack of reliable energy supply in the island. The power group had another win in 2020 as it secured a 15-year contract for the supply of 15 MW of power to Pampanga's electric cooperative.

We have also seen an increase in demand for water services as sanitation has become paramount for safety measures in a pandemic, with local government units recognizing the need for our proposed projects in order to meet this demand. Significant strides in our venture into water were also evident with the investment in a wastewater treatment facility in Puerto Princesa, which has proceeded with construction despite the challenges brought about by travel restrictions and supply chain disruptions.

With regard to the sustainability of our communities, our Board of Directors acted early to supplement our funds for corporate social responsibility both to respond to immediate community needs at the onset of the pandemic and to ensure our communities are able to adapt to what has been termed "the New Normal."

At the onset of the pandemic, the Vivant Foundation worked in closer coordination with Vivant, Vivant Energy and their subsidiaries to communicate with local, provincial and national government units and agencies to provide food relief to our communities. We also worked with local hospitals through our government contacts to provide medicine, safety equipment and beds for COVID-19 response units.

As the foundation's primary focus had been in education, we also worked with the Department of Education (DepEd) in implementing their blended learning program, granting donations to ensure the public schools in our communities are able to continue the education of our learners despite the suspension of in-person classes, as well as providing audio-visual equipment to DepEd Region VII to enable them to produce educational content for the online, television and radio aspects of their blended learning program.

Despite the challenges and uncertainties faced in 2020, Vivant has remained in a healthy financial position, maintaining healthy profits albeit lower than 2019, which had been our strongest year. Vivant ended the year 2020 with net income attributable to Parent of PhP 1.4 billion, recording a 38% Year-on-Year (YoY) decline from the 2019 level. The power generation business contributed the lion's share accounting for 72% of income contribution from business segments. This was followed by the electricity distribution business shoring in 27% of the total profits from business segments.

As a testament to our solid track record and favorable business outlook, Vivant was able to secure a PhP 3 billion Fixed Rate Corporate Note facility despite the challenging times faced during the year. Proceeds from this fund-raising activity will be intended to bankroll the growth initiatives of both the power and infrastructure businesses.

There is a Zen saying: Be like Bamboo. We have built ourselves with strong roots, but with the flexibility needed to bend in the storm without breaking while still continuing to grow. In a time when companies across all industries have had to make major cuts to both people and projects, we have been able to do more than just survive: we have prospered. It is not a question of whether we will achieve victory, but how many more victories we can achieve.

Kumbati, Bai!



Arlo Angelo G. Sarmiento
President
Vivant Corporation

Kumbati is a Visayan word or expression that means *'to fight'* and/or *'don't give up'*. It is the Vivant Group's battlecry expressing pride in its Cebuano heritage and the indomitable spirit that keeps us moving forward amid the challenges we face.

Bai is a play on the Visayan term of endearment for *'friend'*; a term we call each other in the Vivant Group regardless of our roles, whether that of a team leader or a team mate, because we are each other's supporter, mentor and friend.

About The Company

Our Vision

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

Our Mission

Bringing excellence to industries that improve everyday living

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

Who we are and what drives us

[102-16]



Honor

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



Relationships

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



Excellence

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

Vivant is a holding company publicly-listed on the Philippine Stock Exchange (PSE) with investments in companies engaged in the power and water infrastructure business.

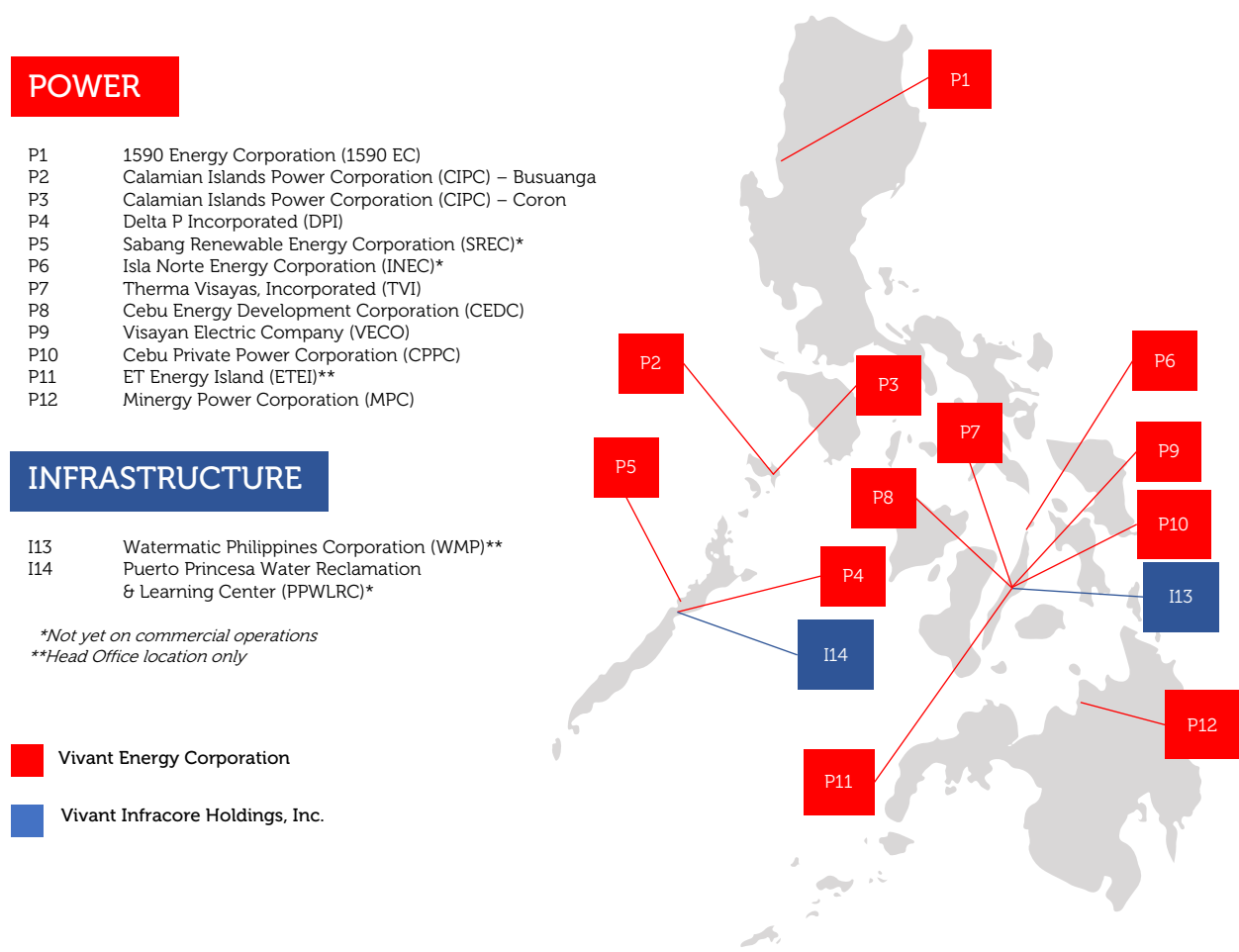
The Garcia-Escano family of Cebu (the Family) collectively owns approximately 76% of the outstanding capital stock of Vivant. As of December 31, 2020, the Company’s outstanding common shares were held as follows:

Table 4. Ownership Structure [102-5]

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

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

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



The Business

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

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

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

Figure 2. Organization Structure By Business Segment [102-7]

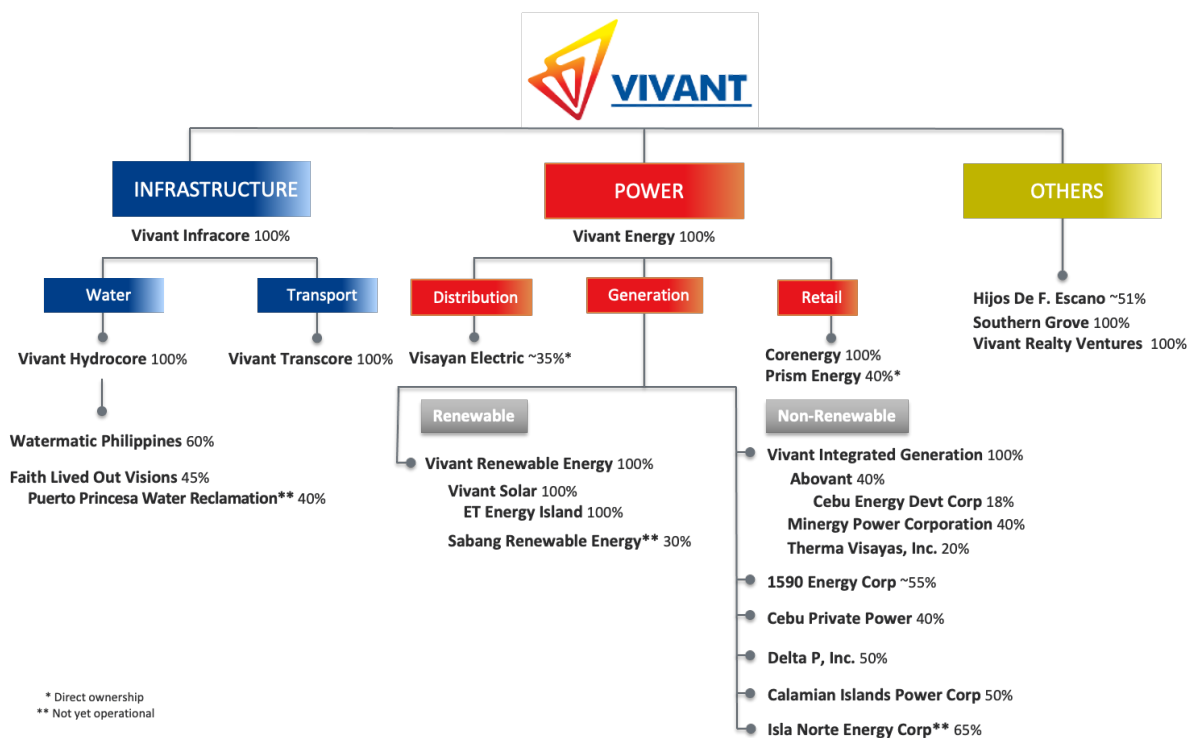
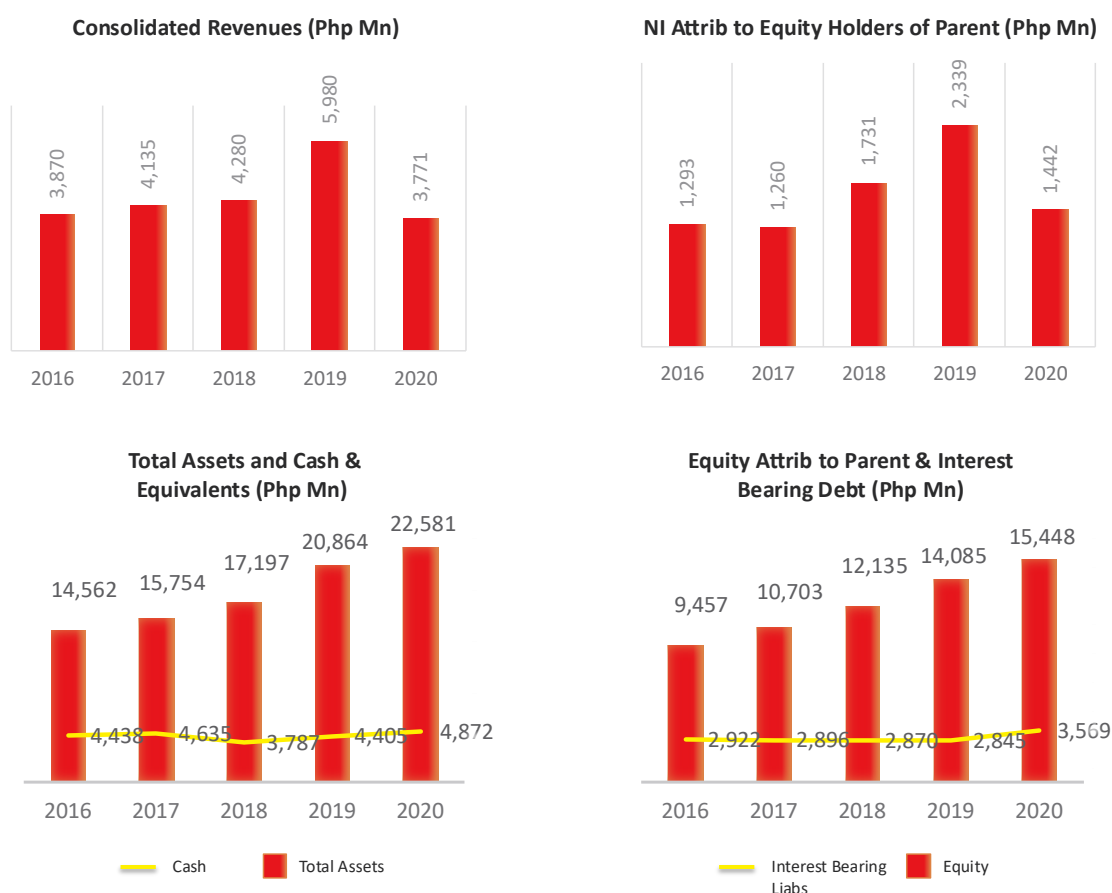


Figure 3. Historical Financial Performance [102-7]

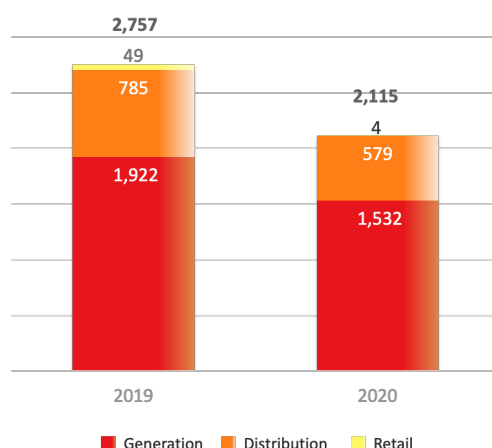


Vivant Energy Corporation: Optimizing the power value chain

Vivant Energy Corporation (Vivant Energy) is a wholly owned subsidiary of the Company that manages and owns² all the investments in the power business. The company, with its own business development team, continuously looks for opportunities across the industry value chain. Various modes of investment are considered, whether via greenfield, brownfield or acquisition. The power generation and retail segments of the business are where most of the opportunities are present. Market scoping and understanding the demand-supply situation are the usual trigger for project identification and assessment. The company conducts an extensive evaluation process before any proposed project is undertaken. [103-2]

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

Figure 4. Income Contribution of the Power Business (Php Mn) [102-7]



Power Generation [102-7, 203-1]

Vivant began its presence in the power generation business in 2007. As of end-2020, the Company has investments in over 1,000 MW of generation capacity serving the energy requirements of both the on grid and off grid markets. It likewise provides ancillary services to the transmission operator of the country's biggest island to ensure grid security.

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

Operating Unit	Location	Fuel Type	Capacity (MW)	% Own	Attributable Capacity (MW)	Products and Offtaker
On Grid						
1590 EC	Bauang, La Union	Oil	225	55	124	- Ancillary services to National Grid Corporation of the Philippines - Energy to the Wholesale Electricity Spot Market (WESM)
CPPC	Cebu City, Cebu	Oil	70	40	28	- Capacity/energy to VECO - Energy to the WESM
TVI	Toledo City, Cebu	Coal	340	20	68	- Capacity/energy to VECO - Energy to WESM - Energy to RES
CEDC	Toledo City, Cebu	Coal	246	17	43	- Energy to various offtakers
MPC	Cagayan de Oro	Coal	165	40	66	- Energy to Cagayan Electric Power & Light Co., Inc.
			1,046		330	
Off Grid						
Delta P	Puerto Princesa, Palawan	Oil	42	50	21	- Capacity/energy to Palawan Electric Cooperative
CIPC	Coron-Busuanga, Palawan	Oil	9	50	4	- Energy to Busuanga Island Electric Cooperative
INEC*	Bantayan Island, Cebu	Oil	3	65	2	- Energy to Bantayan Electric Cooperative
			54		27	
GRAND TOTAL			1,100		357	

*Under an Interim Power Supply Agreement, with use of leased generation units.

In 2020, the power generation business recorded an income contribution to Vivant of Php 1.5 billion, posting a 20% YoY decline from 2019. Power consumption was generally down in 2020, which was reflective of the adverse impact of the pandemic as the country went on various stages of quarantine during the year.

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

VECO is the 2nd largest electric distribution utility in the Philippines and the largest outside of Metro Manila. Its franchise area includes four cities (Cebu, Mandaue, Talisay and Naga) and four municipalities (Consolacion, Liloan, Minglanilla and San Fernando) in the Province of Cebu. Its franchise service covers an area of about 672 square kilometers serving 462,699 customers. The slowdown in economic activity brought about by the pandemic saw a decline in peak demand, from 601 MW in 2019 to 521 MW in 2020, and electricity sales from 3,501 GWh in 2019 to 3,120 GWh in 2020. As such, VECO's earnings contribution in 2020 recorded a decline of 26% YoY from Php 785.1 million to Php 579.0 million.

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

Retail Electricity [102-7]

With the thrust of providing sustainable solutions to meet the changing needs of its customers, Vivant Energy expanded its retail electricity business to include three lines of businesses. These are Retail Electricity Supply, Solar Rooftop and Engineering Services. In 2020, the retail electricity business contributed Php 3.9 million to Vivant's bottom line, down by 92% YoY.

- **Retail Electricity Supply (RES)**

Part of the Electric Power Industry Reform Act of 2001 (EPIRA) was to open up choice of power providers to the market. Retail Competition and Open Access (RCOA) allows contestable customers to choose their supplier of electricity under agreed terms and rates. This began with the largest customers in 1MW monthly consumption with the goal of eventually reaching the household level.

Table 6: Retail Electricity Suppliers

Operating Unit	% Own	# of Customers		Electricity Delivered (in MWh)	
		2019	2020	2019	2020
Corenergy, Inc.	100	1	5	12,052	21,720
PRISM Energy, Inc.	40	43	42	241,834	157,053

- **Solar Rooftop**

Vivant Energy, through its subsidiary, started to offer customizable rooftop solar energy solutions, mostly to commercial and industrial customers. Utilizing solar energy improves an organization's sustainability as it improves power costs and supports environmental initiatives with the reduction in its carbon footprint.

Table 7: Solar Rooftop Installation

Operating Unit	% Own	# of Customers		Electricity Delivered (in MWh)	
		2019	2020	2019	2020
ET Energy Island	100	1	3	1,001	1,210

- **Engineering Solutions**

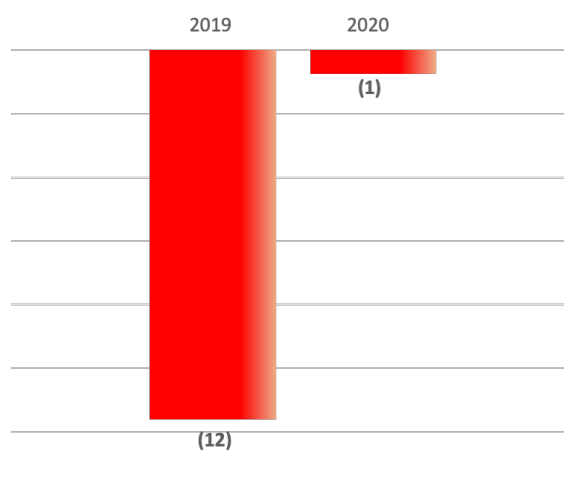
An ancillary service to both RES and Solar Rooftop is the provision of engineering solutions to Vivant Energy’s retail customers. Utilizing its team of experts with decades-long experience in various segments of the power value chain, Vivant Energy, through wholly owned subsidiary, Corenergy, has offered engineering services intended to optimize electricity supply, improve the reliability of equipment and overall safety of workplaces.

Vivant Infracore Holdings, Inc.: Addressing the need for basic infrastructure

Vivant Infracore Holdings, Inc. (Vivant Infracore) is the wholly owned subsidiary that was set up to own and manage the Company’s investments in the infrastructure business. With a mandate to explore investments intended to diversify Vivant’s earnings sources, a business development group was set up to identify and evaluate possible ventures in the industry. Both the transport and water segments of the infrastructure space are being considered by Vivant. Two wholly owned holding companies were set up for this purpose. These are Vivant Transcore Holdings, Inc. and Vivant Hydrocore Holdings, Inc. (Vivant Hydrocore).

As a result of thorough market scoping and due diligence, Vivant Infracore identified segments of the water infrastructure space as potential entry points for Vivant’s move into the industry. The business resulted to a negative contribution in 2020, albeit recording a significant improvement over 2019 performance.

Figure 5. Income Contribution of the Infrastructure Business (Php Mn) [102-7]



Water Treatment Engineering and Design

As a new entrant with limited knowledge of the industry, Vivant saw the need to enter into a partnership with an entity that has the technical know-how and capability. In July 2019, Vivant, through Vivant Hydrocore, formed Watermatic Philippines Corporation (WMP) via a joint venture with Israel-based Watermatic International, Inc. (WMI). WMI is a company that specializes in water and wastewater treatment projects that involve the whole span of engineering, design and construction phases. The company's technical know-how is garnered from the collective experience of its team consisted of renowned experts and professionals from the water and wastewater treatment industry in Israel.

Since its incorporation, WMP has entered into contracts involving project design, engineering, procurement and construction services with an aggregate order book of approximately Php 150 million.

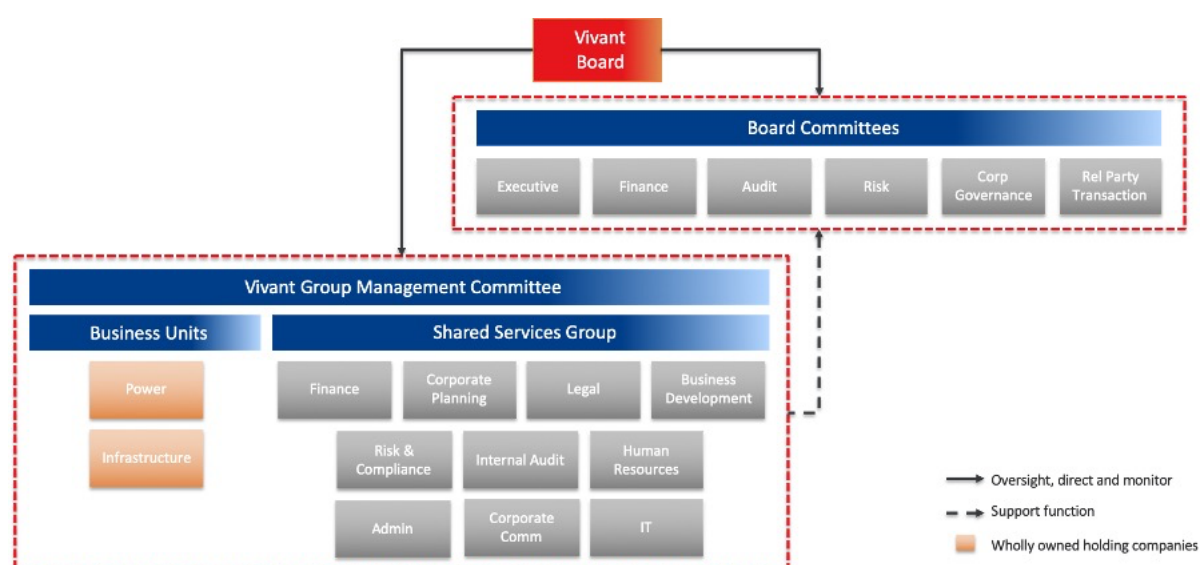
Wastewater Septage and Sewerage Treatment

In February 2020, Vivant Hydrocore acquired a 45% equity stake in Faith Lived Out Visions 2 Ventures Holdings, Inc. (FLOWS), a company that entered into a joint venture with the Puerto Princesa City Government to set up the Puerto Princesa Water Reclamation and Learning Center Inc. (PPWLRC). The acquisition resulted in an effective ownership of 40% by Vivant in PPWLRC, the project company that will construct, own and operate a wastewater treatment facility that will be located at the City Baywalk. Aside from treating wastewater, the facility will likewise produce treated water for reuse, thus addressing the City's water supply requirements. The project broke ground in January 2020. However, due to stringent restrictions imposed by the local government as a result of the pandemic, the construction was suspended in March 2020. It was only in October 2020 when works resumed. With the catch-up plan being implemented to address the delay, completion of construction works, commissioning and testing of the facility are targeted within second quarter of 2021.

About Governance

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

Figure 6: Governance Structure [102-18]



The Board [102-18]

Key Roles and Responsibilities [102-26]

Leading Vivant's governance system is the Board of Directors (the Board). As a body, the Board bears the fiduciary responsibility to the Company's stakeholders in ensuring that its vision, mission and goals are properly established and regularly reviewed. Strategy formulation and implementation,

key company policies and oversight over management are likewise within its purview with the end objective of ensuring continued sustainability for the Company.

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

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

In 2020, the outbreak of COVID-19, which has evolved into a global pandemic, led Vivant to implement a WFH set up. Under strict lockdown, the Board carried on with its fiduciary duties by completely going virtual. All meetings of the Board and its Board Committees³ and the annual strategic planning were held virtually using a secure cloud-based video communication platform. With the challenges that COVID-19 presented to the business, interactions and exchange of information among the Board and Management by virtual means increased during the year.

Table 8: Schedule of 2020 Meetings

	Date
Board	January 30, 2020
	March 25, 2020
	May 13, 2020
	August 7, 2020
	November 13, 2020
Finance Committee	January 24, 2020
	March 24, 2020
	May 12, 2020
	July 8, 2020
	August 26, 2020
	September 4, 2020*
	September 25, 2020*
November 5, 2020	
Executive Committee	February 27, 2020
	April 24, 2020
	May 29, 2020
	June 18, 2020
	July 14, 2020
	August 5, 2020
	September 2, 2020
	October 28, 2020
	November 27, 2020
	December 4, 2020*
	December 16, 2020
Audit Committee	March 20, 2020
	May 12, 2020
	August 6, 2020
	November 11, 2020
Corporate Governance Committee	May 22, 2020
Risk Committee	March 6, 2020
	July 14, 2020
	November 26, 2020
Related Party Transaction Committee	October 23, 2020
Annual Stockholders' Meeting And Organizational Meeting	September 11, 2020

*Special meeting

³ In March 12, 2020, the SEC issued guidelines on the attendance and participation of directors in regular and special meetings through remote or electronic means of communication.

As the lead in the Company's governance system, the Board values continuous learning to ensure that the body maintains its ability to perform its fiduciary responsibility. Keeping abreast with the best practices in corporate governance is key, particularly in 2020 with the pandemic changing the landscape in general. Vivant engaged a third party training provider to discuss crisis preparedness, use of digital technology and corporate resilience amidst the pandemic. Given Vivant's strategic plan of further advancing its investments in the water infrastructure space, internal training and briefing sessions were likewise conducted to discuss the industry, technology and market landscape.

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

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

Table 9: Board Composition

Board	Executive Committee	Finance Committee	Audit Committee	Board Risk Oversight Committee	Corp Governance Committee	Rel Party Transactions Committee
Ramontito E. Garcia ¹ – C	M	M	M			
Edgar John A. Garcia ² – VC	M	M				
Arlo A. G. Sarmiento ³ – M	M		M			
Jose Marko G. Sarmiento – M	M	M		M		
Gil A. Garcia – M	M	M				
Emil Andre M. Garcia – M	M					
Charles Sylvestre A. Garcia – M	M					M
Jesus B. Garcia, Jr. – M, LID		M	C	M	M	M
Raul Ch. Rabe – M, ID			M	C	M	
Rogelio Q. Lim – M, ID			M	M	C	C
Carmelo Maria L. Bautista – M, ID		C				

C – Chairman
VC – Vice Chairman
M – Member
LID – Lead Independent Director
ID – Independent Director

Notes:

1. At the Special Meeting of the Board of Directors on April 3, 2020, Mr. Ramontito E. Garcia was elected as Chairman and CEO effective April 6, 2020 to occupy the position left vacant by Mr. Dennis N.A. Garcia. He retained both positions after the Organizational Board Meeting on September 11, 2020.
2. At the Special Meeting of the Board of Directors on July 9, 2020, Mr. Edgardo A. Garcia joined the Vivant Board of Directors and was elected as the Vice Chairman effective July 9, 2020. He retained the position after the Organizational Board Meeting on September 11, 2020.
3. At the Special Meeting of the Board of Directors on April 3, 2020, Mr. Arlo A.G. Sarmiento was elected as President effective April 6, 2020 to occupy the position left vacant by Mr. Ramontito E. Garcia. He retained the position after the Organizational Board Meeting on September 11, 2020.

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

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

Table 10: Board Committee Functions

Board Committee	Key Function	Composition	2020 Initiatives
Executive	<ul style="list-style-type: none"> - Has the authority to exercise the powers and perform the duties of the Board within the powers granted to them. - Convenes when the Board is not in session 	<ul style="list-style-type: none"> - Composition at seven (7) members 	<ul style="list-style-type: none"> - Discussed, deliberated on and approved various transactions in 2020, which were then ratified by the Board
Finance	<ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight responsibility relating to financial governance, except for financial reporting. - Oversees the formulation and implementation of Vivant's financial policy and strategy, including capital structure, dividend policy, treasury policies and activities, and capital allocation decisions that may be brought to the Board for approval. 	<ul style="list-style-type: none"> - Per charter, at least three (3) members as appointed by the Board - Current composition at six (6) members with two (2) independent directors, including the Chairman 	<ul style="list-style-type: none"> - Discussed, deliberated on and approved for endorsement to the Board various transactions in 2020 - Discussed, deliberated and approved for endorsement to the Board the financial roadmap for Vivant and subsidiaries - Discussed, deliberated refinancing options of Vivant's FRCN. Approved option was endorsed to the Board
Audit	<ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight responsibility relating to the financial reporting process, the system of internal control, the audit process and the Company's process for monitoring compliance with laws and regulations and the code of conduct. 	<ul style="list-style-type: none"> - Per charter, at least five (5) directors, at least three (3) of whom, including the Chairman, shall be independent. The Chairman should not hold any other board chairmanship. - Current composition at six (6) members with three (3) independent directors including the Chairman 	<ul style="list-style-type: none"> - Review and approval for endorsement to the Board quarterly unaudited financial statements and the 2019 audited financial statement - Nomination of SGV as external auditor, for endorsement to the Board - Oversight on internal audit, internal control
Board Risk Oversight	<ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight function relating to risk governance. - Oversees the formulation and implementation of the Board-approved company-wide Enterprise Risk Management policy, which covers risk management practices, including regulatory and ethical compliance monitoring. 	<ul style="list-style-type: none"> - Per charter, at least three (3) directors, majority of whom shall be independent directors, including the Chairman. The Chairman should not hold any other board chairmanship. - Current composition at four (4) members with three (3) independent directors including the Chairman. 	<ul style="list-style-type: none"> - Reassessed risk landscape in 2020 given the pandemic - Reviewed and approved the Business Continuity Management Plan - Reviewed and approved the IT Roadmap as a strategic action plan for Cyber risk
Corporate Governance	<ul style="list-style-type: none"> - To assist the Board in fulfilling its oversight function relating to the implementation of corporate governance and compliance program, which includes 	<ul style="list-style-type: none"> - Per charter, at least three (3) directors, all of whom shall be independent directors - Current composition at three (3) members all of whom are 	<ul style="list-style-type: none"> - Review and endorsement of the Policy on Nomination and Election - Review and endorsement of the Policy on Board Performance Appraisal

	-	sustainability reporting among others. Determination of nomination and election process for Vivant's directors, and establishment of a remuneration policy for directors and officers	independent directors	
Related Party Transactions	-	Assists the Board in reviewing all material related to third party transactions of Vivant	- Per charter, at least three (3) non-executive directors, two (2) of whom shall be independent including the Chairman. - Current composition at three (3) members, with two (2) independent directors, including the Chairman	- Review and endorsement of the Related Party Transactions policy

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

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

A Group Management Committee (Mancom) was set up to oversee and ensure the alignment of the Company's and its business units' initiatives and strategic goals. The committee meets regularly to discuss group and company-specific issues and developments that affect the business. Given a macro perspective, the committee also enables the identification and implementation of synergistic collaboration among the power and infrastructure business units and the shared services group.⁴

In 2020, a Management Finance Committee (Management Fincom) was set up and activated. This is a management-level recommending body established to formulate and implement Vivant's financial policies and strategies, including but not limited to, capital structure and financing strategy, treasury policies and financial risk management. All policies and strategies shall be for the Board Finance Committee's review and approval for endorsement to the Board.

As part of its mandate to execute the strategic goals set by the Board, the Management initiated the following:

- In April 2020, Vivant partnered with Deloitte and embarked on a major project that's intended to help the Company visualize its major strategies and their alignment to long-term shareholder value. The final outcome of this project is Vivant's own Enterprise Value Map (EVM), a proprietary tool of Deloitte that provides an overview of the relationship between the enterprise value and business operations. The objective of such is to determine and assess the drivers of the Company's value creation. The EVM was used as a

⁴ The Power, Infrastructure and Shared Services units have their respective management committees that meet regularly.

significant input for Vivant’s annual strategic planning in 2020 and was adopted as a major tool for organizational performance monitoring.

- In July 2020, Vivant engaged SGV & Co. to conduct an independent assessment of the Company’s enterprise resiliency, which was a timely endeavor given the pandemic. A comprehensive review of the Company’s ability to respond to the changing business environment led to the identification of gaps and prioritization of resiliency areas to better equip the organization in addressing the uncertainties caused by the COVID-19.

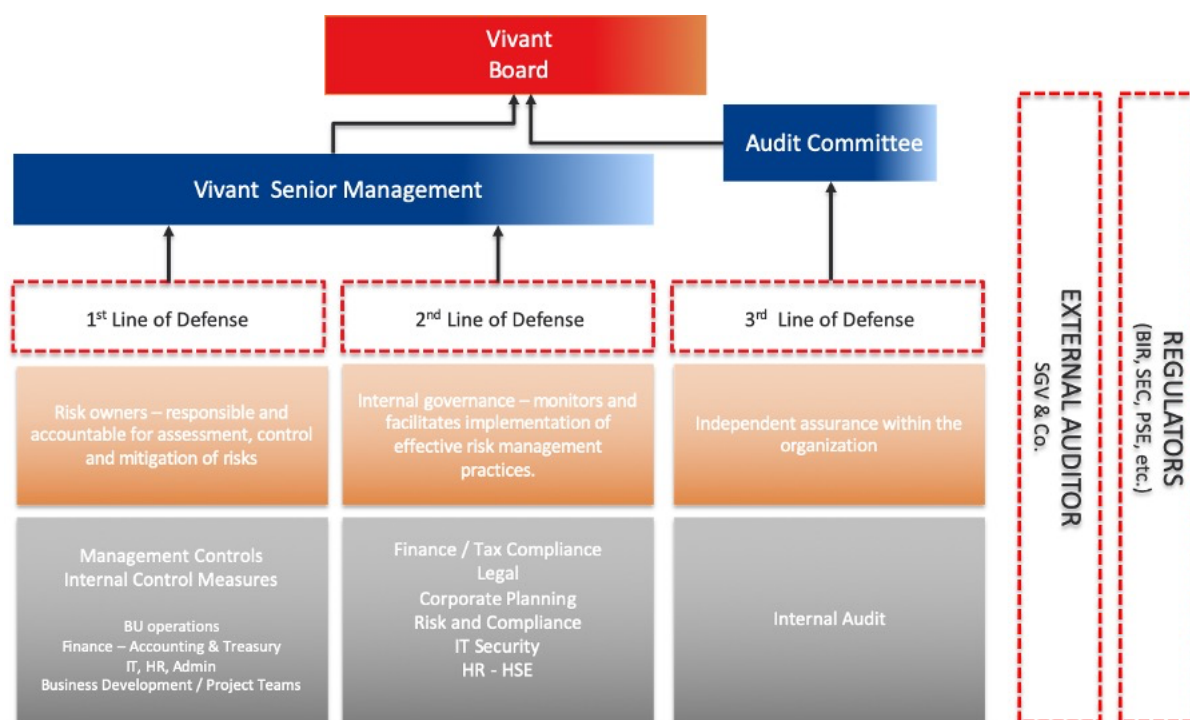
Table 11: Key Officers

	Position
Ramontito E. Garcia	CEO
Arlo A. G. Sarmiento	President
Minuel Carmela N. Franco	Group Chief Finance Officer; Chief Risk Officer; Compliance Officer; Senior Vice President – Corporate and Shared Services
Atty. Jess Anthony N. Garcia	Corporate Secretary Senior Vice President – Infrastructure; Chief Information Officer
Emil Andre M. Garcia	Senior Vice President – Power
Maria Cielita C. Aniga	Vice President – Human Resources
Maria Victoria E. Sembrano	Senior Assistant Vice President – Controllership and Corporate Services for Infrastructure
Brigitte Cecile Garcia	Senior Assistant Vice President – Corporate Planning
Grant Clark	Special Assistant to the CEO; Assistant Vice President – Information Technology; Data Protection Officer
Atty. Catherine S. Bringas	Assistant Vice President – Legal
Shem Jose W. Garcia	Assistant Vice President – Corporate Communications
Ronnell Vergel E. De Leon	Assistant Vice President – Treasury
Carlos F. Bargamento, Jr.	Assistant Vice President – Internal Audit
Dyan Ramona S. Olegario	Assistant Vice President – Accounting
Ellen S. Baladya	Assistant Vice President – Water Infrastructure

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

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

Figure 7: Risk Governance Structure



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

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

The change in the business landscape and certain project and business developments have heightened some risks in 2020. Below is a brief description of each.

Table 12: Vivant's 2020 Risks [102-15]

Risk	2020 Situationer	Potential Impact	Action Plan
Business interruption - Failure to sustain critical operations in the event of a crisis or disruption	Travel and mobility restrictions, shallow workforce bench/ manpower resource, poor/unstable IT connectivity	Operational delays, missed opportunities and substantial losses	- Activation of Business Continuity team - Implemented combined WIO and WFH, where WIO represent essential functions - Shadowing for key positions (e.g. IT)
Counterparty - Inability to deliver contractual obligations by a counterparty	Economic slowdown, supply chain disruption, credit concerns	Financial losses, disruptions in operations and reputational damage	- Frequent/periodic coordination meetings with partners
Credit and collections - Failure to make timely billings and collections in accordance with agreed terms and conditions	Economic slowdown, job losses, possible liquidity issues for customers/ offtakers	Financial losses due to bad debt, working capital deficiency, possible loan default	- Availability of Revolving Credit lines - Review of working capital cycle
Cyber - Failure to recover from hardware failure, IT security breach, data theft and corruption	WFH resulted to unsecured connections, unstable connectivity	Operational inefficiencies, loss of business opportunities, financial losses, exposure of confidential information and reputational damage	- Development of IT roadmap - Updated Google mail settings - Information campaign
Debt refinancing - Failure to refinance debt with acceptable terms	Possible market tightening and banks' conservative stance due to unfavorable economic conditions	Financial strain due to possible higher interest/financial costs	- Early discussions with financial advisor/s were initiated - Refinancing options brought about by a financial roadmap developed during first half of the year
Ethics and culture - Failure to create and instill formal standards of employee behavior	WFH and WIO set up, no structured monitoring for remote workers	Possible lower productivity given work conditions Losses, labor unrest, loss of key employees and reputational damage	- HR initiatives addressing culture issues - Use of web/cloud-based collaboration tools
Fraud - Failure to recognize, report and mitigate potential unethical acts	100% WFH set up led to use of electronic approval process for all transactions	Possible losses and reputational damage	- Established protocols with banks for all transactions - As market eased, shifted to 'at least 1 wet signature' protocol

Health and safety - Failure to identify, develop and implement HSE policies and standards that will ensure general employee welfare	Rising COVID-19 cases led to lockdown by end 1Q, which eased up starting 2Q WFH and WIO set up	Losses, adverse effect on retention and recruitment as a result of overall diminution of reputation	- Development and updating of HR policies specific to address the pandemic - Presence of safety officer in the office to ensure compliance with policies - HR info campaign - Teleconsult with company doctor / HMO - Kumbati COVID-19 Day
Insurance - Failure to monitor and maintain adequate insurance cover	Market tightening for fossil-fired generation assets	Financial losses arising from incidents not covered	- Market monitoring - Develop relationships with other insurance brokers - Re-assessment of specific plant risks - Evaluate other options
Market / Macro-economics - Failure to respond on a timely manner to changes in market/macro-economic factors	U- or W-shaped recovery to affect business strategies	Affect strategic direction, achievement of objectives and decrease shareholder value	- Economic briefing - COVID-19 workshop
Procurement - Failure to define and execute strategy and business plans related to purchasing supplies and services needed in operations	Supply chain disruption, delays in delivery due to travel and mobility restrictions and procurement of importation permits	Purchases of sub-quality goods and services, which may lead to unnecessary expenditures, premature breakdown and financial losses and reputational damage	- Frequent/periodic coordination meetings with suppliers - Assistance in procurement of travel passes
Project financing - Failure to meet the financing requirements of a capital investment	Market tightening and conservative stance of banks have resulted to shorter tenors	Unmet target project returns, inability to compete in the market, limit investment opportunities, lower profitability	- Ongoing market monitoring - Evaluate other financing options, if any
Project risk - Failure to plan and manage construction and maintenance projects and other activities throughout the project life cycle	Travel/mobility restrictions, deferral in negotiations, licensing, permitting reliant on government agencies that ceased operations due to the pandemic.	Misallocation of resources, delay of project completion, disruption of operations, financial loss, financial penalties, customer dissatisfaction, reputational damage	- Close coordination with relevant LGU for travel, permits processing - Engagement of consultants to assist processing of licenses and permits - Review and updating of contracts
Regulatory - Failure to anticipate, monitor, react/respond and comply with changes in laws and regulations	Review of existing regulations brought about by public clamor on lowering power costs, environmental impact	Regulatory sanction, penalties, litigations, disruption in operations, revocation of license/permit	- Close monitoring of regulatory changes and analysis of possible impact to operations - Maintenance and development of relationships with key regulatory personnel. - Active participation in industry organizations

Resource Management

There are three key resources or inputs that proper management and use of each should develop a strong foundation for Vivant's future. These are: financial capital, human capital and social capital. Making sure that proper allocation and efficient use of these resources in identifying opportunities and monitoring performance are key to the Company's sustainability.

Financial Capital [103-2]

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

Capital Allocation and Portfolio Management

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

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

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

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

Further enhancements were made to the framework in 2020. A capital allocation report was designed to monitor the investment performance of a project throughout its lifecycle. This report provides the following:

- Capital allocation and prioritization to ensure best use of limited resources by deploying capital to projects ranked according to financial and strategic criteria
- Investment performance evaluation and monitoring to track achievement or non-achievement of investment objectives
- Capital recycling options to ensure best use of resources by re-directing deployed capital to more profitable or more strategic businesses

2020 brought about the need to revisit our projects in the pipeline. The pandemic posed a lot of uncertainties on the overall macro-economic condition that ultimately affected project viability. Speed of economic recovery was something that needed to be considered in the overall capital allocation decision process. Market dynamics, consumption behavior, regulatory pressure, financing availability were among the considerations used in developing project prioritization guidelines. The outcome of this initiative was used as an input in the capital raising initiative Vivant undertook in 2020.

The monitoring of the performance of each business unit is key to Vivant. Aside from the Controllership group, the Company monitors the overall performance of its investee companies through a unit called Subsidiary Monitoring⁵. Said unit conducts monthly performance reviews of each company, where financial and non-financial performances are discussed. With the set up and activation of the Management Fincom in 2020, all reports were reviewed by this body before presentations to the Board Finance Committee and the Board were made.

Balance Sheet Management

Vivant considers its healthy financial position as one of its investment merits that allows it to gain access to the financial markets and thus fuel its growth. It is imperative to ensure that its balance sheet remains strong, while maximizing capital efficiency through proper gearing.

Planning a way forward for the financing requirement of the Company and its subsidiaries was done in 2020. A financial advisor was engaged to assist Vivant in crafting a medium-term financing roadmap. This roadmap is supposed to determine how to optimize Vivant's and its subsidiaries' capital structure, with both debt and equity capital considered. The first phase of the roadmap was implemented in 2020 when Vivant executed a PhP 3 billion Notes Facility Agreement for a dual tenor Fixed Rate Corporate Note issuance.

Human Capital [102-8, 103-2]

Vivant is relatively a young organization where average age is thirty-three (33) years. The Company started with a group of five (5) employees in 2003 and has now transformed to an organization of over 100 personnel.⁶ Establishing and ingraining the company culture that is deeply rooted in the

⁵ Subsidiary Monitoring is established in the Vivant Energy only. Set up at Vivant Infracore will take place once the company is operationalized.

⁶ Inclusive of Vivant Energy

Company's Vision, Mission and Core Values were seen as an imperative to ensure that the team is one in mind and behavior in working for Vivant's future.

One Vivant is a culture initiative designed to promote a unified identity and purpose and harmonization of culture across business units. The decision to embark on this journey was made to ensure that the people remain cohesive despite the growth trajectory Vivant is on.

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



Doing Right Things Right

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



Fostering Synergistic Collaboration

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



Mastering Change Agility

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



Achieving Beyond Expectations

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



Mindful Resource Use

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

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

Talent Acquisition and Retention

With the pandemic, the Company found itself facing the challenges to collaboration and agility that so far had defined the way of **One Vivant**. Focus shifted to the basics of workforce health and safety, and resources had to be reallocated to provide for personal wellness and protection, both for organic and contractual employees. While, in general, talent acquisition was impacted by a freeze-hire policy, manning for INEC, the Company's flagship project in Bantayan, Cebu, as well as for Vivant Infracore, and other positions reclassified as urgent, were pursued and realized. While companies here and abroad resorted to retrenchments, shortened working hours and other mitigations due to loss of revenue, Vivant early on made the decision to retain its workforce in spite of similar challenges to the business. In response, collaboration was heightened with the operation of cross-functional Business Continuity Teams (BCT) that provided support in a hybrid WFH and WIO setup. In addition, the Company still ably rewarded good to exceptional performance with the timely release of salary and merit increases, in addition to other provisions intended to alleviate difficulties caused by the pandemic.

Talent Engagement and Development

The Annual Kick-Off of 2020 goals was well participated, with employees from Makati flown in to join Cebu partners in the company's new headquarters, as this happened prior to the COVID-19 lockdowns. With top leaders sharing both overall directions and specific targets, the teams enthusiastically collaborated on an initiative that encouraged the practice of the company's Core

Values and Competencies. “Kumbati Bai” was the adopted battlecry to spur on perseverance and vigor to combat challenges, so apt with the onset of COVID-19. This initiative was capped by a visit to an affiliate’s office and facilities, intended to make it part of an awareness and learning program for all.

Because COVID-19 protocols eventually led to travel restrictions and the prohibition of big gatherings, the usually eagerly-awaited Summer Outing was cancelled, and Christmas and other celebrations were done in austere, virtual hybrid settings. These opportunities for building camaraderie and morale were either supplanted or complemented by heightened communication forums like the ‘Chat and Brew’ sessions with senior executives and the employees, regular emails from the CEO, Townhall meetings, Manager Huddles, HR updates through the Kitakits program, regular team and cross-functional meetings, and action planning on the results of employee surveys.

Training, likewise impacted, was limited to webinars and in-house facilitation, focusing on such essentials as communication, change, synergy, health and safety, mindfulness and mental wellness, and those swiftly improving technical knowledge and expertise. For regular updates on the pandemic, Kumbati COVID-19 Days were conducted with medical professionals as resource persons, with engagement initiatives folded in to include not just team activities but also those done with employees’ families.

To sustain Succession Management, the Company proceeded with a number of Key Talent Reviews (KTR), identifying successors and coming up with Individual Development Plans for both the top talents and their successor/s. The KTR panel was chaired by the CEO.

Regular leader-staff conversations and coaching or mentoring sessions were initialized, complementing the New Normal communication schemes and ensuring sustained productivity while on hybrid setup. Participation in CSR activities, in particular benefiting marginalized front liners and utility men in the areas where the Company does business, also contributed to more awareness of the **One Vivant** Brand.

Learning and Culture

A highlight in the Company’s strategic planning session in 2020 was the cognizance of Learning and Culture as one of the major drivers of growth. Vivant believes that all objectives and actions aligned can only be sustained if learning is non-stop and culture is at the heart of every leader’s engagement. Risk integration likewise added a fresh dimension to strategy execution, enhancing responses to the challenges presented by the pandemic and competition within the industry as the crisis offered new opportunities.

Social Capital ^[103-2]

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

Table 13: Key Relationships

Business Partners	<ul style="list-style-type: none"> Aboitiz Power Corporation - Visayan Electric Company, Inc. - Cebu Private Power Corporation - Cebu Energy Development Corporation - Therma Visayas, Inc. Global Business Power Corporation - Cebu Energy Development Corporation Minergy Energy Systems, Inc.
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- Minergy Power Corporation
- Gigawatt Power, Inc.
- 1590 Energy Corporation
- Delta P, Inc.
- Calamian Islands Power Corporation
- Sabang Renewable Energy Corporation
- Watermatic International, Inc.
- Watermatic Philippines Corporation
- JCA Holdings, Inc.
- Faith Lived Out Visions 2 Ventures Holdings, Inc. /
Puerto Princesa Water Reclamation & Learning
Center

Creditors and Banking Partners

- Bank of the Philippine Islands
- BDO Unibank, Inc.
- BDO Unibank, Inc. – Trust and Investments Group
- China Banking Corporation
- Development Bank of the Philippines
- Land Bank of the Philippines
- Metropolitan Bank and Trust Company
- Philippine Savings Bank
- Philippine National Bank
- Rizal Commercial Banking Corporation
- Robinsons Bank Corporation
- Security Bank Corporation
- Union Bank of the Philippines

**Government Agencies and
Regulators (not full list)**

- Department of Energy
- Energy Regulatory Commission
- Department of Environment and Natural Resources
- Local Government Units
- Securities and Exchange Commission
- Philippine Stock Exchange

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

Vivant’s growth and reputation can be attributed largely to its good relations with stakeholders. Through the years, Vivant and its investee companies have been known to pay attention to the needs of its stakeholders and provide solutions that improve living conditions in its communities through the Vivant Foundation and its investee companies.

The main focus of Vivant Foundation is to improve public education—with particular focus on science, engineering, technology and math (STEM)—and promote nature conservation.

But at the onset of the COVID-19 pandemic, Vivant saw how local governments and communities struggled to manage limited resources to provide for basic needs. The Company decided to allocate funds to help host communities with food, medicine and medical supplies, including beds for COVID-19 response centers. These comprise the immediate assistance that Vivant and its investee companies extended to its host communities through local governments and public hospitals.

The second phase of the Group’s assistance came in the form of support for DepEd’s distance learning program as face-to-face classes were suspended across the country. Through Vivant Foundation, Vivant and its investee companies donated printing machines, photocopiers, bond paper, and ink toners to public schools in the communities where they conduct business. In Central Visayas, Vivant’s home region, Vivant Foundation donated audio and video production equipment that is being used to produce learning modules for distance learners in the mother tongue.

Vivant Foundation has also been able to resume work on retrofitting ordinary classrooms to provide science laboratories to four public high schools in Metro Cebu. Although face-to-face classes remain suspended indefinitely, these new science laboratories will be used by science teachers to conduct on-camera demonstrations for their students during online classes.

Reflecting Vivant’s ability to adapt and find forward-looking solutions, Vivant Foundation and its partners also found ways to implement programs and activities under the European Union-funded Project RELY (Renewable Energy for Livelihood and Youth). In Bohol, all six off-grid and remote public schools that have been identified under Project RELY have been energized through solar power by November 2020. Vivant Foundation’s partner, responsible for livelihood and skills development activities, has also been able to resume their work in project sites.

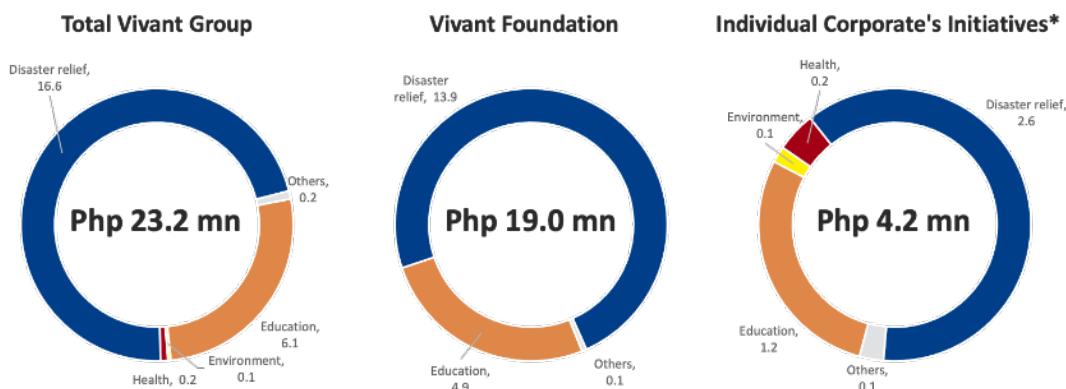
Aside from the support provided to their respective host communities to alleviate the adverse impact of COVID-19, Vivant’s investee companies continued their respective CSR programs for 2020.

- 1590 EC, together with Vivant Foundation, constructed a classroom building in Boy-Utan Elementary School in Bauang, La Union. This was turned over to the school officials when the enhanced community quarantine was lifted.
- Delta P sustained its efforts for the conservation of the Simpocan Marine Turtle Sanctuary. In June 2020, more than a thousand hatchlings were released to the sea. The company also donated solar panels to power the Simpocan Marine Turtle Hatchery. As a joint initiative with the Community Environment and Natural Resources Office in Puerto Princesa, 1,500 tree seedlings were planted in December 2020.



As a company, Vivant allocates a certain percentage of its profits to fund projects. In 2020, the collective efforts of the Company and its investee companies, where Vivant Foundation administers and/or assists in project implementation, are as follows:

Figure 8: 2020 CSR Initiatives



*includes 1590 EC, CIPC, DPI

Feature on Isla Norte Energy Corporation (INEC)



The transformers and related equipment for the 23.3-MW Isla Norte Energy Corporation power plant were delivered to Bantayan in November 2020.

In February 2020, Isla Norte Energy Corporation (INEC)—a consortium of Vivant Energy Corporation and Gigawatt Power Inc.—signed a Power Supply Agreement (PSA) with the Bantayan Island Electric Cooperative, Inc. (BANELCO), the utility that distributes electricity to the three towns in Bantayan Island in northern Cebu, namely Santa Fe, Bantayan and Madridejos.

The 15-year PSA was signed following a Competitive Selection Process (CSP) conducted by BANELCO in accordance with the requirements of the Department of Energy (DOE) on the sourcing of the electric cooperative's future power supply. The PSA takes effect in November 2021, upon the expiry of the contract between BANELCO and its existing power provider.

Staying true to its commitment to contribute to the growth of Bantayan Island’s economy by providing them a reliable and stable power supply, the construction of the 23-MW diesel-fired power plant started in July 2020 despite strict quarantine conditions brought about by the pandemic. This commitment to the community was further cemented as BANELCO tapped INEC for the supply of emergency power to address the demand-supply gap.

Even before the pandemic started, BANELCO’s service area has been experiencing frequent outages that sometimes last up to six to eight hours a day. To address the problem, the electric cooperative applied for an exemption to the CSP from the DOE and turned to INEC for a solution. In line with Vivant’s mission to provide solutions that improve everyday living in its communities, INEC entered into a one-year interim PSA with BANELCO. By providing BANELCO with 3 MW of emergency power, which is nearly half of the island’s total demand, INEC has helped reduce power outages in Bantayan in 2020.



INEC installed generators with a combined capacity of 3 megawatts to provide emergency power to BANELCO’s franchise area.

During the switch-on ceremony for the emergency power supply, BANELCO General Manager Lee Rivera pointed out that the 3 MW from the generators that INEC brought to the island addresses the power supply shortage of the electric cooperative’s current power provider.

As Bantayan residents began putting up Christmas decorations, INEC accepted the delivery of the engines for its 23-MW power plant in the first week of December. The engines were shipped from Finland, the headquarters of global technological leader Wärtsilä. INEC chose Wärtsilä to provide the engineering and equipment for the power plant to ensure the reliability and efficiency of its operations.



The Wartsila engines for the INEC power plant arrived in Cebu from Finland in December 2020.

Key Performance Metrics

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

	2020 Consolidated (in Php Mn)	2019 Consolidated (in Php Mn)
Economic Value Generated	3,771.3	5,979.6
Economic Value Distributed		
Operating Costs	1,699.6	3,032.4
Payments to Employees – compensation and benefits	261.1	182.9
Payments to Providers of Capital – Debt and Equity	1,047.5	763.8
Payment to Government – Taxes	147.9	242.8
Economic Value Retained	615.2	1,757.7

Electricity Consumption Within the Organization (in MWh) [302-1]

	2020	2019
Head Office – Cebu	152.34	130.09
Head Office – Makati	42.34	58.47
WMP	15.06	n/a ¹
1590 EC	2,847	6,217
CIPC	1,796	1,933
DPI	3,289	4,935

Note 1: Data not available

Fuel Consumption Within the Organization (in L) [302-1]

	2020		2019	
	LFO	HFO	LFO	HFO
1590 EC	700,462	12,994,939	728,548	29,579,246
CIPC	464,092	6,984,217	671,497	8,526,105
DPI	302,340	17,664,734	361,868	22,629,956

Fuel Consumption Outside the Organization [302-2]

	2020			2019		
	Distance (km)	Diesel (L)	Gasoline (L)	Distance (km)	Diesel (L)	Gasoline (L)
Head Office – Cebu	275,581	13,145	10,842	1,462,674	17,326	17,884
Head Office – Makati	45,613	2,959	2,111	67,849	3,670	2,342
WMP	98,843	--	4,742	--	--	--
1590 EC	114,120	11,656	1,058	n/a ¹	n/a ¹	n/a ¹
CIPC	32,067	4,581	--	48,202	6,886	--
DPI	79,590	9,411	--	70,609	9,814	--

Note 1: Data not available

Water Withdrawal (in ML) [303-3]

	2020		2019	
	Third Party Water	Ground Water	Third Party Water	Ground Water
1590 EC	--	55.13	--	38.25
CIPC	2.19	--	1.82	--
DPI ¹	0.14	6.91	146	306

Note 1: Significant decrease in water consumption in 2020 is due to the cessation of operations of DPI's old power generation facility, which used steam to heat up its HFO.

Water Discharge (in ML) [303-4]

	2020				2019		
	Third Party Water	Seawater	Surface Water	Ground Water	Third Party Water	Seawater	Surface Water
1590 EC	--	3.83	--	--	--	3.52	--
CIPC	--	--	--	1.75	0.92	--	--
DPI ¹	--	--	1.27	--	--	--	32.4

Note 1: Significant decrease in water discharge in 2020 is due to the cessation of operations of DPI's old power generation facility, which used steam to heat up its HFO.

Water Consumption (in ML) [303-5]

	2020	2019
Head Office – Cebu	0.06	0.12
Head Office – Makati	0.54	0.72
1590 EC	94.79	34.74
CIPC	0.62	0.90
DPI ¹	5.78	416

Note 1: Significant decrease in water consumption in 2020 is due to the cessation of operations of DPI's old power generation facility, which used steam to heat up its HFO.

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

	2020	2019
1590 EC	not measured due to intermittent dispatch/ operations	not measured due to intermittent dispatch/ operations
CIPC	2.936	14.8616
DPI	not measured due to intermittent dispatch/ operations	not measured due to intermittent dispatch/ operations

Other Indirect (Scope 3) GHG Emissions (in MT)¹ [305-3]

	2020			2019		
	Air Travel ²	Diesel	Gasoline	Air Travel ²	Diesel	Gasoline
Head Office – Cebu	--	35.46	25.15	--	46.73	41.48
Head Office – Makati	86.46	7.98	4.90	161.48	9.90	5.43
WMP	7.99	--	11.00	n/a ³	n/a ³	n/a ³
1590 EC	--	31.44	2.45	n/a ³	n/a ³	n/a ³
CIPC	--	12.36	--	n/a ³	18.57	--
DPI	--	25.38	--	n/a ³	26.47	--

Note 1: Emissions are computed based on available data using the guidance on <https://ghgprotocol.org/>

Note 2: No separate/ per location data available for Air Travel for the Head Office

Note 3: Data not available

Non-Hazardous Waste Disposal (in kg) [306-2]

	2020				2019			
	Recycled	Sold ¹	Composted	Landfill	Recycled	Sold ¹	Composted	Landfill
1590 EC	22,805	--	2,100	2,100	--	184,140	--	1,000 ²
CIPC	--	--	--	288	--	--	--	1,000 ³
DPI	--	6,521	--	360	--	8,507	--	360 ²

Note 1: Disposed through scrap (metal) buyer/dealer

Note 2: Approximate; domestic waste

Note 3: Approximate

Hazardous Waste Generated (in kg) [306-2, 306-4]

	2020		2019	
	Transported ¹	Stored on-site	Transported ¹	Stored on-site
1590 EC	--	--	1,014,000	--
CIPC	--	33,611	--	--
DPI	132,000	--	118,000	--

Note 1: Transported through an accredited DENR hauler and treater

New Hires by Gender [401-1]

	2020		2019	
	Male	Female	Male	Female
Vivant	4	12	6	12
Vivant Energy	5	3	7	5
ETEI	1	--	--	--
VFI	1	2	--	2
Corenergy	3	--	n/a ¹	n/a ¹
WMP	--	2	4	2
1590 EC	3	--	5	--
CIPC	1	--	5	--
DPI	1	1	7	2
INEC	6	1	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: Actual manning in 2020 only

New Hires by Age Group [401-1]

	2020			2019	
	Below 30	30-50 years old	Above 50	Below 30	30-50 years old
Vivant	7	9	--	15	3
Vivant Energy	5	3	--	9	3
ETEI	--	1	--	1	1
VFI	3	--	--	2	--
Corenergy	2	1	--	n/a ¹	n/a ¹
WMP	1	1	--	4	2
1590 EC	2	1	--	5	--
CIPC	1	--	--	5	--
DPI	1	1	--	6	3
INEC	4	2	1	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: Actual manning in 2020 only

Employee Turnover by Gender [401-1]

	2020		2019	
	Male	Female	Male	Female
Vivant	1	4	3	14
Vivant Energy	2	3	3	3
ETEI	--	1	--	--
VFI	--	2	--	--
Corenergy	--	--	n/a ¹	n/a ¹
WMP	--	--	--	--
1590 EC	4	--	3	--
CIPC	--	--	5	--
DPI	1	1	5	5
INEC	--	--	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: New subsidiary in 2020

Parental Leave [401-3]

	2020				2019			
	Entitled	Taken	Returned	Remained	Entitled	Taken	Returned	Remained
Vivant	75	2	2	--	112	3	1 ¹	1
Vivant Energy	40	--	--	--		2	1	--
ETEI	2	--	--	--	2	--	--	--
VFI	5	--	--	--	4	--	--	--
Corenergy	3	--	--	--	n/a ²	n/a ²	n/a ²	n/a ²
WMP	6	--	--	--	2	--	--	--
1590 EC	79	1	1	1	83	4	4	4
CIPC	5	5	5	5	6	1	1	1
DPI	46	--	--	--	52	2	2	2
INEC	7	--	--	--	n/a ³	n/a ³	n/a ³	n/a ³

Note 1: Will not return to work until succeeding year

Note 2: Actual manning in 2020 only

Note 3: New subsidiary in 2020

Parental Leave by Gender [401-3]

	2020 ¹		2019 ²	
	Male	Female	Male	Female
Employees entitled to Parental Leave	195	160	187	79
Employees that took Parental Leave	8	1	9	3
Employees that returned to work after their period of Parental Leave ended	8	2 ³	9	Note 3
Employees still employed 12 months after they returned to work after their Parental Leave ended	6	1	8	--

Note 1: Consolidated data for the following companies: Vivant, Vivant Energy, ETEI, VFI, Corenergy, WMP, 1590 EC, CIPC, DPI, and INEC

Note 2: Same companies in 2020, except for Corenergy (unmanned) and INEC (not yet incorporated)

Note 3: Some who took parental leave will not return until succeeding year

Average Training Hours by Gender [404-1]

	2020		2019	
	Male	Female	Male	Female
Vivant	4.5	1	15	19
Vivant Energy	1	6.8	10	21
ETEI	--	--	--	--
VFI	--	--	2	--
Corenergy	--	--	n/a ¹	n/a ¹
WMP	--	--	177	531
1590 EC	4	170	30	57
CIPC	--	--	22	18
DPI	5	--	64	32
INEC	3.5	--	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: New subsidiary in 2020

Average Training Hours by Staff Level [404-1]

	2020		2019	
	Management	Staff	Management	Staff
Vivant	20	6	20	14
Vivant Energy	8	14	23	8
ETEI	--	--	--	--
VFI	--	--	8	--
Coreenergy	--	--	n/a ¹	n/a ¹
WMP	--	--	201	177
1590 EC	104	4	28	27
CIPC	--	--	25	18
DPI	--	4	40	64
INEC	3.5	--	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: New subsidiary in 2020

Employees Receiving Performance Reviews¹ [404-3]

	2020	2019
Vivant	100%	100%
Vivant Energy	100%	100%
ETEI	100%	100%
VFI	100%	50%
Coreenergy	100%	n/a ²
WMP	n/a ³	100%
1590 EC	100%	100%
CIPC	100%	100%
DPI	100%	100%
INEC	100%	n/a ⁴

Note 1: Performance reviews do not apply to probationary, project-based, or trainee employees

Note 2: Actual manning in 2020 only

Note 3: WMP Performance Reviews are done in the succeeding year

Note 4: New subsidiary in 2020

Workforce by Gender Distribution [102-8, 405-1]

	2020		2019	
	Male	Female	Male	Female
Vivant	25	53	22	46
Vivant Energy	27	14	23	15
ETEI	1	1	--	2
VFI	3	2	2	2
Coreenergy	3	--	n/a ¹	n/a ¹
WMP	12	7	4	2
1590 EC	79	2	80	2
CIPC	28	2	27	2
DPI	41	7	45	7
INEC	6	1	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: New subsidiary in 2020

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

	2020			2019		
	Under 30	30-50 years	Over 50	Under 30	30-50 years	Over 50
Vivant	31	44	3	31	36	1
Vivant Energy	15	26	--	15	23	--
ETEI	1	1	--	1	1	--
VFI	3	2	--	2	2	--
Coreenergy	2	1	--	n/a ¹	n/a ¹	n/a ¹
WMP	6	11	2	4	2	--
1590 EC	14	44	23	12	43	27
CIPC	12	15	3	10	15	4
DPI	12	27	9	15	28	9
INEC	4	2	1	n/a ²	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: New subsidiary in 2020

Workforce by Employee Level [102-7, 405-1]

	2020			2019		
	Senior Management	Management	Staff	Senior Management	Management	Staff
Vivant	13	18	47	8	15	45
Vivant Energy	7	7	27	6	8	24
ETEI	--	2	--	--	2	--
VFI	--	1	4	--	1	3
Coreenergy	--	1	2	n/a ¹	n/a ¹	n/a ¹
WMP	4	5	10	1	1	3
1590 EC	--	3	78	--	3	75
CIPC	--	1	29	--	1	28
DPI	--	3	45	--	3	49
INEC	--	1	6	n/a ²	n/a ²	n/a ²

Note 1: Actual manning in 2020 only

Note 2: New subsidiary in 2020

Workforce by Location [102-7, 102-8]^{1,2,3}

	2020			2019			
	Cebu	NCR	Luzon	Cebu	NCR	Luzon	Visayas
Vivant	66	12	--	58	10	--	--
Vivant Energy	25	16	--	22	16	--	--
ETEI	--	2	--	--	2	--	--
VFI	5	--	--	4	--	--	--
Coreenergy	--	3	--	n/a ⁴	n/a ⁴	n/a ⁴	n/a ⁴
WMP	16	2	1	5	--	--	1
1590 EC	--	--	81	--	--	82	--
CIPC	--	1	29	--	1	28	--
DPI	--	1	47	--	1	51	--
INEC	7	--	--	n/a ⁵	n/a ⁵	n/a ⁵	n/a ⁵

Note 1: Cebu in 2020 refers to Head Office (Mandaue City); in 2019, refers to Cebu and Mandaue cities

Note 2: NCR refers to Makati City

Note 3: No employees located in either Visayas (other than Cebu) and Mindanao regions for 2020; no employees located in Mindanao in 2019

Note 4: Actual manning in 2020 only

Note 5: New subsidiary in 2020

Distribution of Governance Bodies by Gender [405-1]

	2020		2019	
	Male	Female	Male	Female
Vivant	100%	--	100%	--
Vivant Energy	100%	--	100%	--
Vivant Solar ¹	100%	--	80%	20%
ETEI	100%	--	100%	--
VFI	57%	43%	67%	33%
Corenergy	100%	--	n/a ²	n/a ²
WMP	57%	43%	67%	33%
1590 EC	100%	--	100%	--
CIPC	100%	--	100%	--
DPI	100%	--	100%	--
INEC	100%	--	n/a ³	n/a ³

Note 1: Formerly ET Vivant

Note 2 Actual manning in 2020 only

Note 3: New subsidiary in 2020

Distribution of Governance Bodies by Age Group [405-1]

	2020		2019	
	30-50 years old	Over 50 years old	30-50 years old	Over 50 years old
Vivant	27%	73%	27%	73%
Vivant Energy	57%	43%	57%	43%
Vivant Solat ¹	100%	--	100%	--
ETEI	100%	--	100%	--
VFI	57%	43%	50%	50%
Corenergy	100%	--	n/a ²	n/a ²
WMP	71%	29%	83%	17%
1590 EC	67%	33%	71%	29%
CIPC	60%	40%	67%	33%
DPI	36%	64%	67%	33%
INEC	60%	40%	n/a ³	n/a ³

Note 1: Formerly ET Vivant

Note 2 Actual manning in 2020 only

Note 3: New subsidiary in 2020

GRI Content Index [102-55]

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

GRI 101: FOUNDATION 2016

GRI 102: GENERAL DISCLOSURES 2016

GRI STANDARD	Disclosure	Remarks and References	
GRI 102: GENERAL DISCLOSURES 2016	Organizational Profile		
	102-1	Name of the organization	Vivant Corporation
	102-2	Activities, brands, products and services	About The Company
	102-3	Location of headquarters	Cebu, Philippines
	102-4	Location of operations	About The Company
	102-5	Ownership and legal form	About The Company
	102-6	Markets served	About The Company
	102-7	Scale of the organization	About The Company
	102-8	Information on employees and other workers	Resource Management: Human Capital Key Performance Metrics
	102-9	Supply chain	The Company is a holding company and has no significant supplier relationship. Supply chain for its investee companies are mainly contractors and material suppliers for design, equipment, construction and fuel.
	102-10	Significant changes to the organization and its supply chain	There was none.
	102-11	Precautionary principle or approach	About Governance: Risk Governance The Company established its Enterprise Risk Management program in 2017. Aside from the implementation of the Risk Management and Strategic Action Plans for its top risks, the Company conducted an assessment of the risk landscape in the first quarter of 2020 to determine the potential risks for its businesses as a result of the pandemic.
	102-12	External initiatives	The Company has not implemented any.
	102-13	Membership of associations	Vivant Corporation: - Cebu Chamber of Business - Mandaue Chamber of Business - Cebu Business Club - Regional Development Council – VII Vivant Energy Corporation - Philippine Independent Power Producers Association - Retail Electricity Suppliers Association - Philhydro Association, Inc. - Solar and Storage Alliance of the Philippines - Young President’s Organization Vivant Foundation, Inc. - League of Corporate Foundations
	Strategy		
	102-14	Statement from senior decision-maker	A Message From Vivant’s President
	102-15	Key impacts, risks and opportunities	About Governance: Risk Governance
Ethics and integrity			
102-16	Values, principles, standards and norms of behavior	About The Company	
102-17	Mechanisms for advice and concerns about ethics	The Whistleblowing policy can be seen and reviewed in the Company’s website. http://vivant.com.ph/sec-filings/board-policies/	
Governance			
102-18	Governance structure	About Governance	
102-19	Delegating authority	About Governance: Board Committees, The Management, Risk Governance	

102-20	Executive-level responsibility for economic, environment and social topics	About Governance: The Management, Risk Governance
102-21	Consulting stakeholders on economic, environment and social topics	About The Report Stakeholder Identification and Engagement
102-22	Composition of the highest governance body and its committees	About Governance: Board Composition, Board Committees
102-23	Chair of the highest governance body	Mr. Ramontito E. Garcia
102-24	Nominating and selecting the highest governance body	About Governance: Board Composition, Board Committees
102-25	Conflicts of interest	This is embedded in the Related Party Transaction Policy, which can be seen and reviewed in the Company's website. http://vivant.com.ph/sec-filings/board-policies/
102-26	Role of the highest governance body in setting purpose, values and strategy	About Governance: The Board
102-27	Collective knowledge of highest governance body	About Governance: Board Composition
102-28	Evaluating the highest governance body's performance	The Company has an existing policy on the board's performance appraisal. This policy can be seen and reviewed in the Company's website. http://vivant.com.ph/sec-filings/board-policies/ The performance appraisal template was finalized in December 2020. The first formal performance appraisal is scheduled in January 2021.
102-29	Identifying and managing economic, environmental and social impacts	About The Report: Materiality and Topic Boundaries, Stakeholder Identification and Engagement
102-30	Effectiveness of risk management processes	About Governance: Board Committees, Risk Governance
102-31	Review of economic, environmental and social topics	About The Report: Materiality and Topic Boundaries
102-32	Highest governance body's role in sustainability reporting	About The Report: Materiality and Topic Boundaries
102-33	Communicating critical concerns	The Whistleblowing policy can be seen and reviewed in the Company's website. http://vivant.com.ph/sec-filings/board-policies/
102-34	Nature and total number of critical concerns	None
102-35	Remuneration policies	Remuneration of key officers and board members will be aligned with the long-term interests of Vivant. Remuneration is performance-based, where specific financial and non-financial metrics are used to measure performance. Considerations in determining proper compensation include the following: <ul style="list-style-type: none"> • The level of remuneration is commensurate to the responsibilities of the role; • No director shall participate in discussions or deliberations involving his own remuneration; and • Remuneration pay-out schedules should be sensitive to risk outcomes over a multi-year horizon.
102-36	Process for determining remuneration	Current process employed by the Company is benchmarking with industry peers. Studies on benefits and compensations are likewise conducted regularly by the Company's Human Resources team. External consultants, if necessary, are engaged. All these initiatives are undertaken to ensure attraction and retention of key talent.
102-37	Stakeholders' involvement in remuneration	No mechanism/process in place
102-38	Annual total compensation ratio	

102-39	Percentage increase in annual total compensation ratio	Vivant regularly reports the names of its five highest paid corporate officers in its Annual Report (SEC Form 17-A). Considering applicable laws and regulations, the Company believes that the information provided is sufficient information on remuneration.
Stakeholder Engagement		
102-40	List of stakeholder groups	About The Report: Stakeholders Identification and Engagement
102-41	Collective bargaining agreements	None
102-42	Identifying and selecting stakeholders	About The Report: Stakeholders Identification and Engagement
102-43	Approach to stakeholder engagement	About The Report: Stakeholders Identification and Engagement
102-44	Key topics and concerns raised	About The Report: Stakeholders Identification and Engagement
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Refer to Vivant Corporation and Subsidiaries Consolidated Financial Statements for December 31, 2020 and 2019, Note 1 of Notes to Consolidated Financial Statements.
102-46	Defining report content and topic boundaries	About The Report: Materiality and Topic Boundaries
102-47	List of material topics	Table 2: Material Disclosure Topics
102-48	Restatement of information	None
102-49	Changes in reporting	None
102-50	Reporting period	January 1, 2020 to December 31, 2020
102-51	Date of the most recent report	January 1, 2019 to December 31, 2019
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding this report	Office of the Compliance Officer
102-54	Claims of reporting in accordance with the GRI standards	Core option
102-55	GRI content index	p. 44
102-56	External assurance	SGV for financial reports. None for the Sustainability Report.

Material Topics

ECONOMIC			
GRI STANDARD	Disclosure		Remarks and References
ECONOMIC PERFORMANCE			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	Resource Management: Financial Capital
	103-3	Evaluation of the management approach	Resource Management: Financial Capital
GRI 201: ECONOMIC PERFORMANCE 2016	201-1	Direct economic value generated and distributed	Key Performance Metrics
INDIRECT ECONOMIC IMPACTS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	Stakeholder Identification and Engagement Resource Management: Social Capital
	103-3	Evaluation of the management approach	Resource Management: Social Capital
GRI 203: INDIRECT ECONOMIC IMPACTS	203-1	Infrastructure investments and services supported	About The Company: The Business Feature on Isla Mactan Energy Corporation
	203-2	Significant indirect economic impacts	Resource Management: Social Capital Feature on Isla Mactan Energy Corporation

ENVIRONMENT			
GRI STANDARD	Disclosure		Remarks and References
ENERGY			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	The Company launched its Green Initiative in 2017. Several programs were launched, which were intended to have positive impact on how we do things both at corporate and on a personal basis.
	103-3	Evaluation of the management approach	
GRI 302: ENERGY 2016	302-1	Energy consumption within the organization	Plant operations include periodic preventive maintenance works to ensure plant efficiency. Key Performance Metrics
	302-2	Energy consumption outside the organization	Key Performance Metrics
WATER AND EFFLUENTS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	The Company launched its Green Initiative in 2017. Several programs were launched, which were intended to have positive impact on how we do things both at corporate and on a personal basis.
	103-3	Evaluation of the management approach	
GRI 303: WATER AND EFFLUENTS 2018	303-3	Water withdrawal	Plant operations include periodic preventive maintenance works to ensure plant efficiency. Key Performance Metrics
	303-4	Water discharge	Key Performance Metrics
	303-5	Water consumption	Key Performance Metrics
EMISSIONS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	Plant operations include periodic preventive maintenance works to ensure plant efficiency.
	103-3	Evaluation of the management approach	
GRI 305: EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	Key Performance Metrics
	305-3	Other indirect (Scope 3) GHG emissions	Key Performance Metrics
EFFLUENTS AND WASTE			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	Plant operations include periodic preventive maintenance works to ensure plant efficiency.
	103-3	Evaluation of the management approach	
GRI 306: EFFLUENTS AND WASTE 2016	306-2	Waste by type and disposal method	Key Performance Metrics
	306-4	Transport of hazardous waste	Key Performance Metrics
SOCIAL			
GRI STANDARD	Disclosure		Remarks and References
EMPLOYMENT			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	Stakeholder Identification and Engagement Resource Management: Human Capital
	103-3	Evaluation of the management approach	
GRI 401: EMPLOYMENT 2016	401-1	New employee hires and employee turnover	Key Performance Metrics
	401-3	Parental leave	Key Performance Metrics
TRAINING AND EDUCATION			
	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics

GRI 103: MANAGEMENT APPROACH 2016	103-2	The management approach and its components	Stakeholder Identification and Engagement Resource Management: Human Capital
	103-3	Evaluation of the management approach	Resource Management: Human Capital
GRI 404: TRAINING AND EDUCATION 2016	404-1	Average hours of training per year per employee	Key Performance Metrics
	404-3	Percentage of employees receiving regular performance and career development reviews	Key Performance Metrics
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	Stakeholder Identification and Engagement Resource Management: Human Capital
	103-3	Evaluation of the management approach	Resource Management: Human Capital
DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	Key Performance Metrics
LOCAL COMMUNITIES			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its Boundary	Materiality and Topic Boundaries Table 2: Material Disclosure Topics
	103-2	The management approach and its components	Stakeholder Identification and Engagement Resource Management: Social Capital
	103-3	Evaluation of the management approach	Resource Management: Social Capital
GRI 413: LOCAL COMMUNITIES 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Identification and Engagement Resource Management: Social Capital