NEWGEN

Meralco PowerGen (MGEN) Sustainability Magazine - Maiden Issue



Powering a Better Tomorrow.

Panay Energy Development Corporation

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About the Magazine

This inaugural issue of NEWGEN centers on the idea of balance—how different forms of energy, when working together, can create a stronger, more resilient future. The magazine highlights the role of thermal, natural gas, and renewable energy in addressing the country's growing power needs, each one equally essential in building a sustainable and cost-competitive energy landscape.

Guided by this perspective, this publication brings you MGEN's sustainability journey from July 2024 to July 2025, highlighting the progress, challenges, and opportunities that shape our path forward.

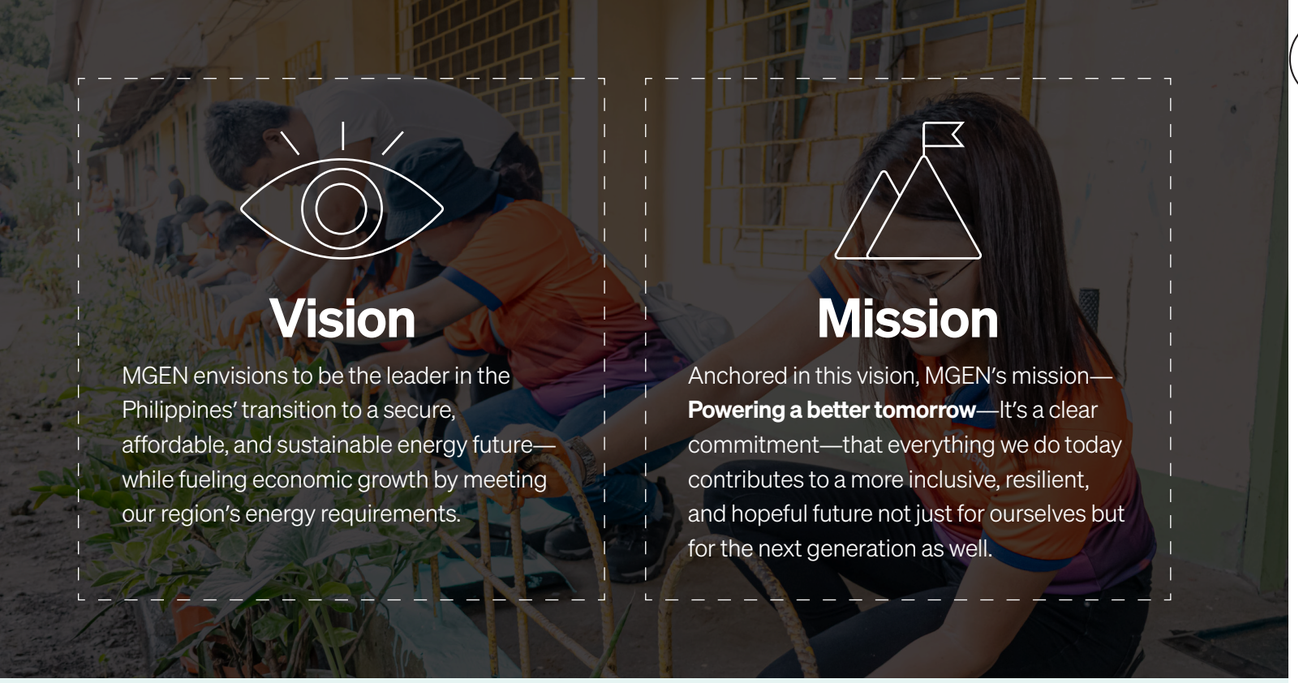
Rather than presenting these technologies in isolation, NEWGEN explores how they are interwoven—each playing a strategic role in a larger system of progress. The stories inside reflect this approach, offering insight into how innovation, environmental responsibility, and long-term energy planning come together through MGEN's diverse generation mix.

With a fresh, accessible voice, this issue invites readers to view energy not just as infrastructure, but as a living system that powers communities, drives growth, and shapes the future.

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Cebu Energy Development Corporation and Toledo Power Corporation



Vision

MGEN envisions to be the leader in the Philippines' transition to a secure, affordable, and sustainable energy future—while fueling economic growth by meeting our region's energy requirements.

Mission

Anchored in this vision, MGEN's mission—**Powering a better tomorrow**—It's a clear commitment—that everything we do today contributes to a more inclusive, resilient, and hopeful future not just for ourselves but for the next generation as well.

MGEN MERALCO

About MGEN

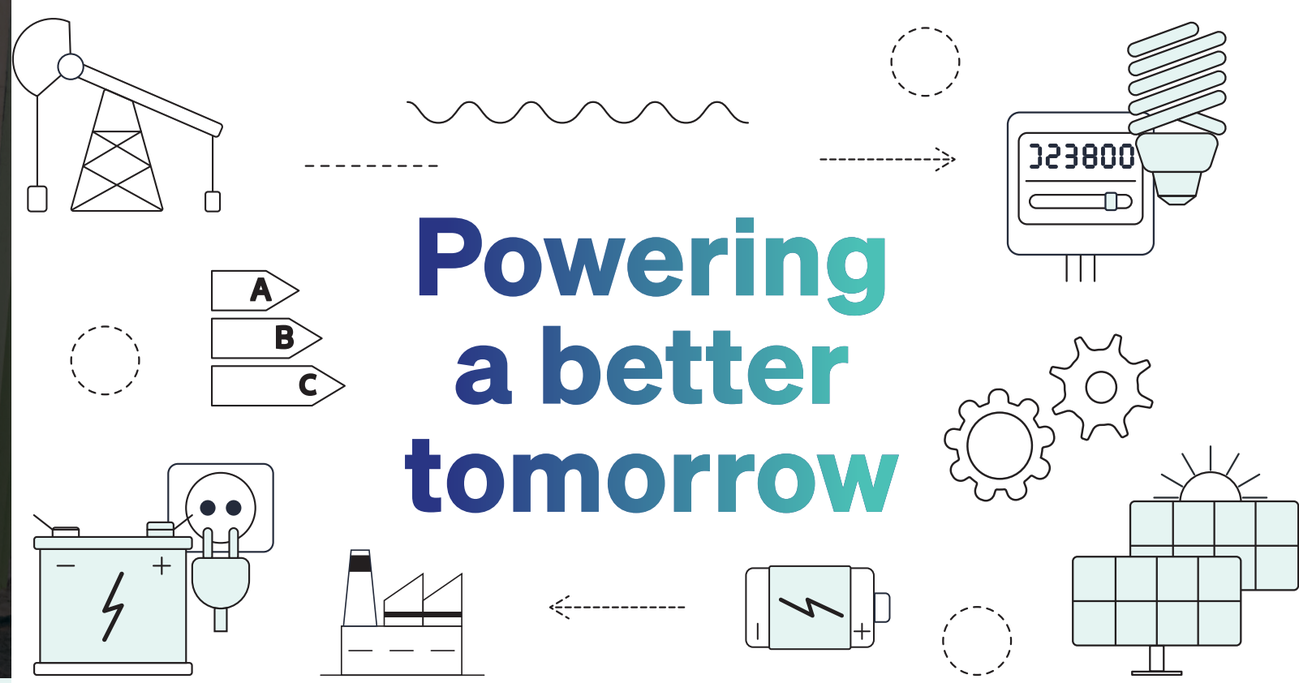
MGEN operates a diverse portfolio of power generation assets equipped with advanced technologies. Its main subsidiaries include Global Business Power (MGEN Thermal), MGEN Renewable Energy Inc. (MGEN Renewables), and MGEN Gas Energy Holdings, Inc. (MGEN Natural Gas). Additionally, MGEN holds stakes in PacificLight Power (PLP), a Liquefied Natural Gas facility in Singapore, and SP New Energy Corporation (SPNEC), a renewable energy company. Recently, MGEN has invested a 40.2% stake in an integrated LNG facility in Batangas, Philippines. Across its portfolio, MGEN has a combined net saleable capacity of 5,068 MW from traditional and renewable sources as of July 2025.

MGEN's New Brand

MGEN's brand evolution marks a new chapter in our journey—a transformation shaped by our drive to be more agile, forward-looking, and deeply committed to powering progress for the Filipino people and beyond.

This evolution reflects our bold ambition: to go beyond power generation and become a force for innovation, sustainability, and inclusive growth. We are building the energy solutions of tomorrow—more digital, more efficient, and more aligned with the needs of a changing world. As we enter this next era, we carry with us the same passion and purpose that have always guided us—now amplified by new capabilities and a sharper focus on delivering sustainable, reliable, and affordable energy. We are ready to take on new challenges, empower communities, and shape the future of energy in the Philippines.

At MGEN, we are not just generating power—we are enabling transformation, inspiring the next generation, and powering a better tomorrow together.



Powering a better tomorrow



P	O	W	E	R
Passion for Safety & Sustainability	**Owning our Actions and Doing what is right**	**Winning Together**	**Executing with Excellence & Innovation**	**Recognizing High Performance**
We prioritize safety in everything we do. We consistently adhere to our safety and environmental protocols and policies. We foster a safe workplace for our people. We promote sustainable development for our stakeholders.	We deliver our commitments. We are empowered to make decisions and accountable for the results. We do what is right and we speak up when something is not right.	We embrace healthy debate and respect diverse opinions. We take responsibility for our own work & the success and failures of the team. Our collective strength delivers results far greater than what each one can do on their own.	We deliver results that consistently exceed expectations. We learn, improve, and grow every day. We create ideas that add value.	We set clear and smart goals at both individual and trainer levels. We acknowledge feedback as an opportunity to improve performance. We recognize and aspire for high performance.

How We Do Business

People. Growth. Profitability. Sustainability.

M

Making our People Safe and Engaged

Providing our people with a safe and healthy work environment is our top priority. Regardless of one's role with MGEN, we strive for everyone to return home safely to their family each and every day.

G

Growing our Energy Portfolio

Advancing our agenda that enables us to create shareholder value through optimization of our current portfolio for growth and expanding our power generation capacity to meet the region's energy needs.

E

Enhancing our Profitability

We strengthen our bottom line by running our assets reliably, optimizing costs, and pursuing growth where it matters most. Our profits will ensure that we remain strong, sustainable, and ready to invest in the future.

N

Nurturing our Communities

Our success is deeply connected to the well-being of the communities we serve and the environment we operate in. Nurturing them means going beyond compliance—it means creating real, lasting impact.

Who We Create Value For



Employees

We empower our people with the tools to grow, build expertise, and find purpose at work.

Communities

We drive economic growth by powering stronger, more inclusive communities while minimizing our environmental impact.

Customers/Partners

We can tailor our solutions to meet their power requirements, making it easy to work with us while delivering reliability to support their businesses.

Shareholders/Investors, and Analysts

We drive growth, cut costs, optimize assets, manage risks, and ensure good governance.

2010

MERALCO POWERGEN (MGEN) WAS ESTABLISHED

Meralco entered into power generation.

2013

MGEN INVESTED IN PLP AND GBP

Acquired a 28% stake in PacificLight Power (PLP) and 20% in GBP.

2016

METRO PACIFIC INVESTMENTS ACQUIRED STAKES IN GBP

Metro Pacific Investments acquired a 56% stake in GBP, making it part of the MVP Group.

2021

MGEN AND GBP INTEGRATE

The integration resulted in nearly 2,000 MW of capacity, with operations spanning the Philippines and Singapore.

2025

MGEN CONTINUES TO EXPAND

Now operating with a net saleable capacity of 5,068 MW (as of July), One MGEN offers a diverse and integrated set of energy solutions that support national energy security.

- MGEN Thermal — Baseload
- MGEN Natural Gas — Transition
- MGEN Renewables — Renewables

The Philippine Energy Landscape

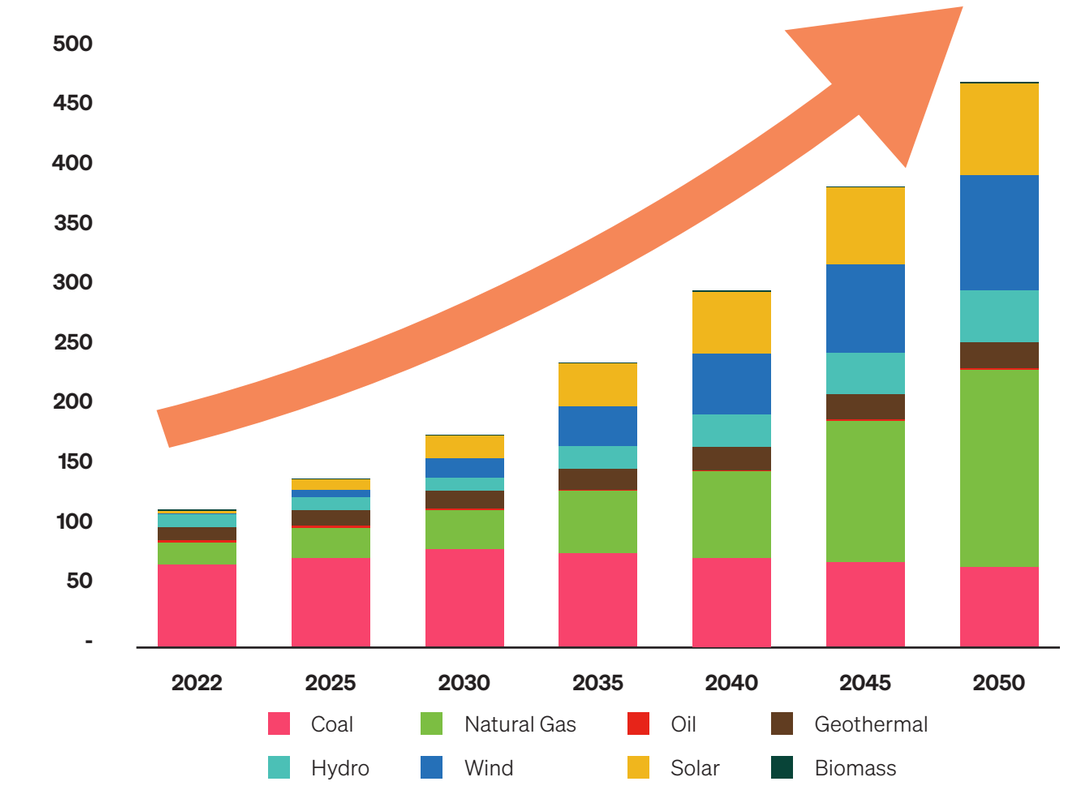


The Philippines faces a steady rise in energy demand, expected to double by 2040 due to economic growth and urbanization. As of 2023, its energy mix remains dominated by fossil fuels—coal accounts for over 60% of power generation, followed by oil and natural gas. Although the country is among the top geothermal producers globally, it still imports most of its coal and fuel, exposing it to price volatility.

> ...increase the share of renewable energy to 35% by 2030 and 50% by 2040...

To address this, the Philippine Energy Plan (PEP) 2023–2050 outlines a shift toward sustainability. The government aims to increase the share of renewable energy to 35% by 2030 and 50% by 2040, primarily through expanded solar, wind, hydro, and geothermal projects. Supporting measures include energy efficiency programs, smart grid upgrades, and the promotion of biofuels and electric vehicles.

GROSS GENERATION OUTPUT BY FUEL (TWH)*
2022 - 2050 Outlook



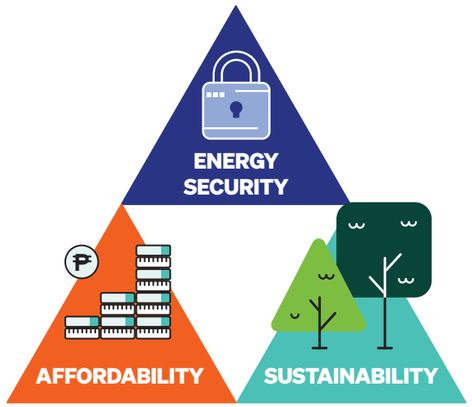
2040 GROSS GENERATION MIX BY FUEL SHARES*
Reference (REF) vs Clean Energy (CES)

	Biomass	Coal	Geothermal	Hydro
REF Total: 364.40 TWh	0.4%	24.8%	4.4%	14.1%
CES Total: 350.07 TWh	0.7%	23.1%	4.6%	18.0%

	Natural Gas	Oil	Solar	Wind
REF Total: 364.40 TWh	40.3%	0.1%	14.6%	1.4%
CES Total: 350.07 TWh	26.6%	0.1%	20.6%	6.2%

**PEP 2023-2050 (Philippine Energy Plan)*

MGEN's Holistic Approach to the Energy Challenge



MGEN takes a holistic approach to the country's evolving energy landscape by addressing the Energy Trilemma—the challenge of delivering power that is secure, affordable, and sustainable. These goals often compete: securing supply may require resilient systems with higher costs; keeping power affordable can mean using less sustainable sources; and prioritizing green solutions can sometimes affect reliability or price stability. MGEN recognizes that navigating these tensions requires balance, flexibility, and long-term planning.

To meet this challenge, MGEN is building a diverse and adaptable energy portfolio that supports the region's transition to a more reliable, affordable, and sustainable energy future. Liquefied Natural Gas (LNG) serves as a vital bridge—reliable and lower carbon than coal—helping stabilize supply while renewables scale up. At the same time, MGEN is actively growing its solar energy capacity, aligning with the Department of Energy's renewable energy portfolio standards.

By integrating conventional and renewable technologies, MGEN delivers energy solutions that meet growing national needs, keep costs manageable, and reduce environmental impact—advancing the country toward a more secure, inclusive, and sustainable energy future.

In 2023, MGEN acquired a majority stake in SP New Energy Corporation (SPNEC), which is already undertaking the MTerra Solar Project, a 3,500MWp solar facility with a 4,500 MWh battery energy storage system in Nueva Ecija and Bulacan. In 2025, MGEN significantly expanded its renewable energy portfolio as it successfully inaugurated 152.7-megawatts (MWac) of solar projects across Luzon. New solar plants in Bongabon, Nueva Ecija; Cordon, Isabela; and the expanded solar facility in Baras, Rizal are the latest additions to MGEN's growing renewable energy portfolio. These projects support the country's clean energy targets while providing sustainable power to over 154,000 homes and driving economic growth in host communities.

MGEN, along with Therma Natgas Power Inc. (TNGP) of AboitizPower, formed Chromite Gas Holdings, Inc. (CGHI) to invest in and develop the Philippines' first integrated LNG complex. Specifically, CGHI, in which MGEN and TNGP hold a 60% and 40% stake respectively, will own 67% of South Premiere Power Corporation (SPPC), Excellent Energy Resources, Inc. (EERI), and Ilijan Primeline Industrial Estate Corp. (IPIEC). Additionally, MGEN, TNGP, and San Miguel Global Power (SMGP) acquired Linseed Field Corporation (LFC), an LNG import and regasification terminal. This facility now collectively called LNGPH provides 18% of Luzon's energy needs.

MGEN's net saleable capacity from its diversified energy portfolio in the Philippines and Singapore as of July 2025 is 5,068 MW. MGEN expects to double its capacity by having 10,346 MW of net saleable capacity by 2030 through its growth projects such as the MTerra Solar Project, Atimonan One Energy Project, Toledo Expansion, EERI's Unit 4, and PLP's CCGT hydrogen ready power plant.

Driving Energy Security through strategic baseload power expansion

2025	2028	2030	2030
1,295.7 MW	**+73 MW**	**+1,200 MW**	**2,519.8 MW**
Current Thermal baseload capacity	Toledo expansion	600 MW x 2 units Atimonan One Energy	Total Thermal baseload capacity by 2030 **A 94% incease from 2025**

PacificLight expands LNG capacity to enhance Singapore's energy security

2025	2025	2029	2030
800 MW	**+100 MW**	**+640 MW**	**1,540 MW**
Current net saleable capacity	Fast start capacity (Completed June 2025)	CCGT hydrogen ready capacity + BESS 201 MWh	Total capacity by 2030 **A 93% increase from 2025**

Leading our country's energy transition with our new strategic LNG investments

2025	2025	2030
2,475 MW	**+432 MW**	**+2,907 MW**
Current net saleable capacity - started February 2025	Excellent Energy Resources, Inc. Unit 4 Expansion	Total capacity by 2030 **An 18% increase from 2025**

MGEN Renewables expands its generation capacity

2025	2026	2027		MTerra Solar 2
397.3 MWac Current net saleable capacity	**+32 MWac** 2025 additional capacity SP Tarlac Expansion	**+2,200 MWac** MTerra Solar Phase 1 + Lasso Solar	**+750 MWac** MTerra Solar Phase 2	**+3,379 MWac** Total Capacity by 2027 **A 751% incease from 2025**	TBD

Aligning with the UN Sustainable Development Goals

As the country's energy landscape evolves, the United National Sustainable Development Goals (SDGs) provide a clear framework for how MGEN can deliver meaningful impact—by powering progress, enabling innovation, supporting communities, and helping drive the transition to a low-carbon future.

At the heart of MGEN's mission are four key goals—SDGs 7, 9, 11, and 13. These goals are more than checkboxes—they shape how MGEN builds, innovates, and partners for long-term, sustainable impact.

SDG 7: Affordable and clean energy



MGEN is committed to advancing the UN SDG 7 — Affordable and Clean Energy — by developing and investing in reliable, cost-competitive, and environmentally responsible power projects across the Philippines.

Through strategic partnerships and innovation, MGEN is expanding its portfolio of renewable and high-efficiency generation assets to support the country's energy security and climate commitments. It is investing in the latest technology thermal assets to ensure reliability and affordability while expanding its renewable energy portfolio to ensure that we have a diversified set of energy sources that are sustainable.



MGEN's approach is guided by three core priorities aligned with SDG 7:

Expanding Access – Delivering power projects that strengthen energy security and ensure electricity reaches more communities at affordable rates.

Accelerating the Transition – Driving the shift towards renewable energy and low-carbon solutions such as natural gas to meet growing demand without compromising the environment.

Promoting Energy Efficiency – Leveraging advanced technologies and operational excellence to reduce waste, optimize performance, and improve cost-effectiveness.

By aligning its business strategies with SDG 7, MGEN aims to power the nation's progress, create positive socio-economic impact, and contribute to a just and sustainable energy future for all Filipinos.

SDG 9: Industry, innovation, and infrastructure



MTerra Solar Project

MGEN supports the UN SDG 9—Industry, Innovation, and Infrastructure—by developing modern, efficient, and resilient power facilities that drive inclusive economic growth. By integrating advanced technologies and sustainable practices into its projects, MGEN strengthens the Philippines' energy backbone while fostering innovation in the power sector.

MTerra Solar is also a breakthrough in infrastructure. With 3,500 MWp of solar and 4,500 MWh of storage, the project includes a 13-kilometer transmission line to connect to the national grid. Once completed, it will be the biggest integrated solar PV and BESS facility in the world.

The 1,200-MW Atimonan One Energy ultra-supercritical plant in Quezon will set new standards in efficiency and environmental performance for baseload generation. It will be constructed using the High Efficiency, Low Emission (HELE) technology that utilizes high temperatures and pressures to maximize energy production while minimizing fuel consumption. This is one of the latest technologies in the world that is critical in achieving lower carbon emissions from thermal plants. These thermal plants provide enhanced plant efficiency and have been used world-wide as well as in other Asian countries including South Korea, Taiwan, Indonesia, Thailand, and China.

MGEN is also set to develop a 20-megawatt hour (MWh) Battery Energy Storage System (BESS) in Toledo, Cebu as part of its efforts to enhance grid stability and support the country's energy transition. The facility will play a key role in ensuring reliable and balanced power delivery across the Visayas grid, particularly in maintaining the quality and safety of electricity reaching end-users. Given the region's growing demand and the increasing share of variable renewable energy, battery energy storage has become essential in managing system reliability and ensuring sufficient grid support during peak and off-peak hours.

As a leading power generating company in the Philippines, MGEN adopted the use of IBM Maximo Application Suite (MAS), an advanced asset lifecycle management (ALM) solution. The implementation will enable MGEN to optimize management of its critical assets, reduce operational downtime, and enhance data-driven decision-making across its diverse power generation portfolio.

By delivering projects that enhance reliability, lower costs, and support the country's shift to low carbon energy sources, MGEN contributes to industrial development, technological advancement, and sustainable infrastructure—all vital to building a more competitive and resilient Philippines.

SDG 11: Sustainable cities and communities

MGEN's energy projects don't just power cities—they build up communities. In Baras and Cordon alone, over 2,400 local jobs were created, with more than 300 women employed in critical roles. In Bongabon, power now reaches 20,000 households, supporting growth in the region. Through medical missions, streetlight installations, and educational and livelihood programs, MGEN has reached over 110,000 individuals, making energy access a foundation for inclusive development.

The MTerra Solar project is steadily advancing toward its goal of delivering clean energy while driving local development. Additionally, the project has already generated more than 10,000 jobs during the construction period with over 7.5 million total accumulated safe man-hours—a testament to the project's commitment to provide employment opportunities in the area, and at the same time foster a culture of safety in all aspects of its operations. It also has established programs that will support the communities during construction: With around 1,600 employees across its operations, MGEN is committed to driving positive impact, both within the company and in the communities it serves.

SDG 13: Climate action



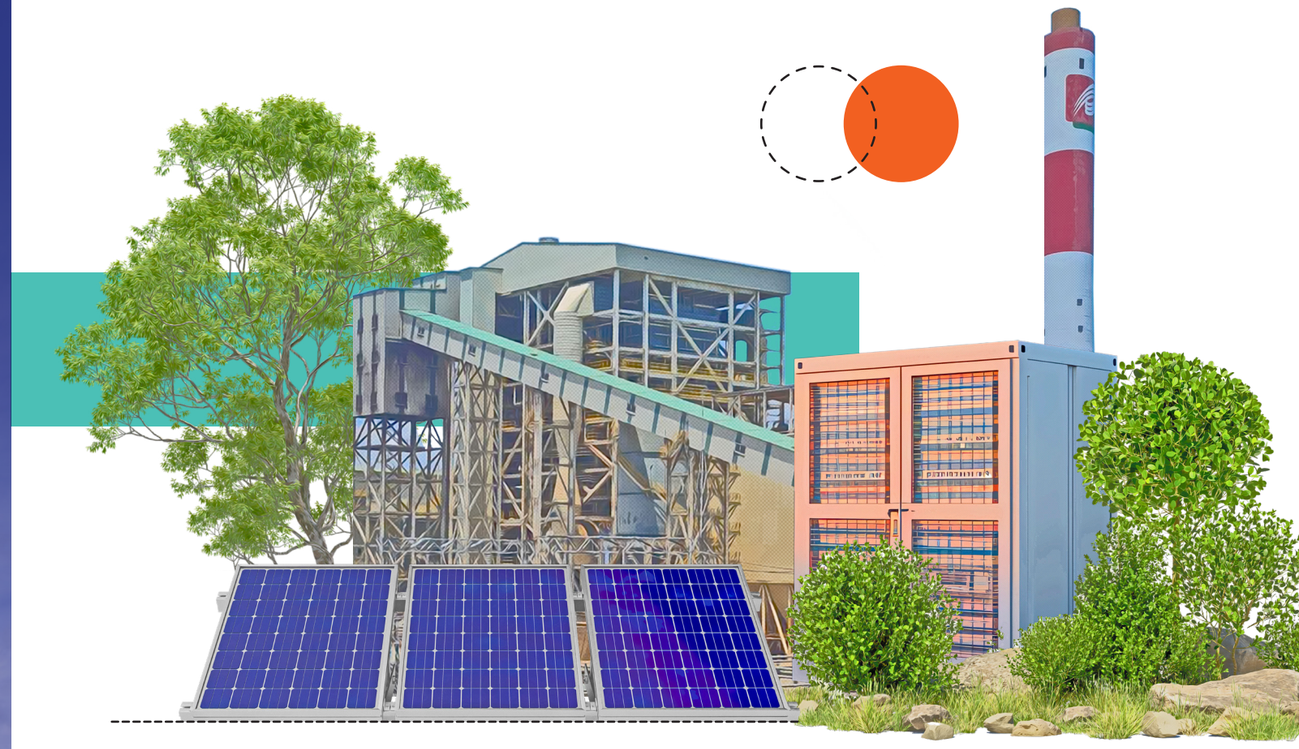
MGEN is reducing emissions at scale. Projects across Nueva Ecija, Isabela, and Rizal eliminate more than 120,000 tons of CO_2 annually—equal to tens of thousands of cars taken off the road. MTerra Solar alone will displace 4.3 million tons, the equivalent of removing 3 million vehicles. MGEN has also planted over 1.6 million trees and contributes to international climate frameworks through PacificLight Power in Singapore, a Clean Development Mechanism (CDM)-registered project under the UN Framework Convention on Climate Change.

By weaving these SDGs into its business, MGEN isn't just keeping pace with change—it's leading it. With a growing portfolio, strong community ties, and a clear climate vision, MGEN is turning sustainability into something tangible—one project, one province, one empowered community at a time.

4Ps

MGEN is shaping the future of energy by embracing the 4 P's: Power, Planet, People, and Prosperity. Through the integration of diverse power sources–coal, natural gas, solar, and battery storage–MGEN is building a secure, sustainable, and affordable energy future while prioritizing environmental stewardship, empowering its people, and driving meaningful social impact across the Philippines.





4P's: Power

Weaving Different Power Sources Together

In a time of accelerating change, MGEN is not just keeping pace with the energy sector's transformation—it's shaping it. Faced with rising demand, climate urgency, and evolving consumer expectations, MGEN has embraced a clear strategy: integration. It combines a wide range of power sources—from coal and natural gas to solar and battery storage—to build a portfolio that is reliable, flexible, and future-ready.

At the heart of MGEN's approach is the energy trilemma: the challenge of delivering power that is secure, sustainable, and affordable. MGEN addresses this by harnessing the strengths of each power source to meet today's needs while preparing for tomorrow.

Coal and baseload security

MGEN's Thermal plants, such as those under Global Business Power (GBP) and San Buenaventura Power Ltd. Co. (SBPL), anchor MGEN's baseload. In 2024, GBP generated 5,654 GWh and SBPL delivered 3,205 GWh—up 36% from the previous year. These thermal plants ensure consistent power delivery.Across Visayas and Mindanao, MGEN units like Panay Energy, Cebu Energy Development



Pacific Light in Singapore (PLP)

Corporation, and Toledo Power Corporation operate advanced circulating fluidized bed (CFB) coal plants, delivering over 570 MW of dependable capacity. With a planned 73 MW expansion in Toledo, MGEN targets a 95% increase in baseload capacity, reaching 2,519.8 MW by 2030 to be able to meet the country's energy requirements.

Natural gas for transition

Liquefied natural gas (LNG) offers crucial flexibility and lower carbon emissions. MGEN's 60% stake in Chromite Gas Holdings Inc. (CGHI) positions it in the Philippines' largest integrated LNG facility. CGHI holds a 67% interest in the key components: South Premiere Power Corporation (operating a 1,200 MW plant) and Excellent Energy Resources Inc. (operating a 1,275 MW plant), along with the related industrial estate and LNG terminal. This complex provides over 2,475 MW of capacity, with potential to reach 2,907 MW by 2030 through future expansions. This US $3.3-billion joint investment with Aboitiz Power's Therma NatGas Power, Inc. also includes the acquisition of the Linseed Field Corporation's regasification terminal. Through CGHI, MGEN and its partners now hold a controlling 67% stake in this strategic hub while 33% is owned by San Miguel Global Power.

Global efficiency with PacificLight

In Singapore, MGEN's PacificLight Power (PLP) leads with innovation. In 2025, PLP successfully completed and commissioned a 100 megawatt (MW) Fast Start Ancillary Services facility on Jurong Island, Singapore. This development marks a key milestone, enhancing PLP's ability to provide reliable and responsive power to the Singaporean grid. The new fast start facility enhances the flexibility of PLP's existing operations by providing rapid-response generation capacity. Powered by Siemens Energy gas turbines, the plant will deliver critical support to the grid during unplanned outages or system disturbances. This expansion will enhance the capabilities of PLP's current 900 MW Combined Cycle Gas Turbine plant, which has been supplying electricity to Singapore's grid since 2014.

Scaling solar through MGEN Renewables

MGEN Renewables is rapidly scaling its solar capacity. With projects in Baras, Bongabon, and Cordon, it now delivers clean energy to over 154,000 homes. In 2024, it produced 617 GWh—up 77% from the previous year.

MTerra Solar: Flagship of Clean Energy.

Upon completion, MTerra Solar is expected to supply clean energy to approximately 2.4 million households and avoid carbon emissions by an estimated 4.3 million tons annually – equivalent to removing over 3 million gasoline-powered vehicles from the roads every year.

This milestone project aligns seamlessly with the government's goal of achieving a 35% renewable energy mix by 2030 and 50% by 2040. As of late 2023, the country's installed renewable energy capacity stands at almost 30% of total energy mix, underscoring the urgency for stakeholders to accelerate efforts toward a greener energy future.

The MTerra Solar Project is set to deliver clean solar energy under a 20-year, 850 MW mid-merit power supply agreement to Meralco. The initial block of 600 MW is slated for delivery by first quarter 2026, while the remaining 250 MW will follow in 2027. This not only conforms with the Renewable Portfolio Standards of the Department of Energy (DOE) but also reinforces Meralco's pledge to source 1,500 MW of its power supply requirements from renewable energy. With its unprecedented scale and forward-thinking design, the MTerra Solar Project is a cornerstone in the Philippines' clean energy transition. Its Solar PV-BESS hybrid infrastructure ensures stable and reliable power that may compete with traditional baseload power sources. Beyond environmental benefits, the project is expected to create more than 10,000 jobs during construction, spur economic growth, and foster community development, with estimated community benefit expected to reach around P23 billion over the next 10 years through taxes, community benefits, and other indirect economic benefits.

A shared and intelligent future

Beyond generation, MGEN champions the "Three Ds" of energy: Decarbonization, Digitization, and Decentralization. Whether through smart grid investments, DERs, or talent development via the FISSION (Filipino Scholars and Interns on Nuclear Engineering) Program, MGEN is helping build an inclusive and intelligent energy future.

As part of One Meralco, MGEN's multi-source strategy delivers more than just electricity. It powers communities, fuels progress, and lays the groundwork for a future where energy is not just delivered—but shared.

In weaving these technologies together, MGEN is building the energy backbone of a resilient, inclusive, and empowered Philippines.

Diversifying our Power Generation Portfolio

ENERGY DELIVERED BY MGEN BY BUSINESS UNIT (IN GWH)

	2022	2023	2024	1H 2025
MGEN Thermal*	8,521	8,238	8,859	4,591
MGEN Renewables**	112	349	617	387
MGEN Natural Gas***	5,619	5,719	5,820	7,665
TOTAL	**14,252**	**14,306**	**15,296**	**12,644**

* PEDC, CEDC, PPC, TPC, SBPL, and SEC ** BulacanSol, NSEC, Baras, Bongabon, Cordon, SPCC, and SPTC
*** PLP, SPPC, and ERRI

4P's: Planet

Weaving Long-term Viability with Environmental Stewardship

MGEN continues to anchor its sustainability journey on tangible action—balancing the delivery of reliable energy with a steadfast commitment to environmental care. As part of its long-term strategy, MGEN is driving key initiatives that prioritize waste reduction, resource efficiency, biodiversity preservation, and a cleaner power mix.

MGEN facilities in Panay and Cebu achieved diversion rates of 33% and 26%, respectively, supported by color-coded bins, waste patrols, and regular waste audits.

Racing to zero waste

Across its thermal power facilities, MGEN's Race to Zero Waste program is proving that energy generation and waste reduction can go hand in hand. In 2024, the program diverted hundreds of metric tons of waste from landfills and oceans. In Panay and Cebu, initiatives included full-scale segregation, composting, and partnerships like the one with the recycling company Rezbin to recycle single-use plastics. Ash by-products were also repurposed, contributing to public infrastructure, and further minimizing landfill dependency. MGEN facilities in Panay and Cebu achieved diversion rates of 33% and 26%, respectively, supported by color-coded bins, waste patrols, and regular waste audits.

Accelerating the renewable energy share

MGEN Renewables is playing a central role in reshaping the power mix. In 2024, solar energy accounted for 4.35% of MGEN's total energy generation—up from just 1.25% in 2023. With projects like the Baras expansion, Bongabon Solar,

AMOUNT OF SOLID WASTE DIRECTED TO OR DIVERTED FROM DISPOSAL BY MGEN (IN TONNES)

	2022	2023	2024
Composted or recycled	17.26	1,110.08	40.28
Disposed of in landfill sites	45.25	7,888.05	142.92
TOTAL	**62.51**	**8,998.13**	**183.20**

AMOUNT OF HAZARDOUS WASTE TREATED (IN TONNES)

	MGEN		
	2022	**2023**	**2024**
Used Oil	533.10	1,280.15	360.45
Busted Bulbs	-	0.05	0.10
Electronic Wastes	0.19	0.64	0.41
PCB-Contaminated Minerals	14.00	-	-
Lead-Acid Batteries	595.00	0.17	3.80
Infectious Wastes	-	0.03	0.39
Oil-Contaminated Materials	1,624.00	3.80	4.04
Contaminated Containers	2,180.00	11.17	12.02
Grease Wastes	-	1.63	3.42
TOTAL	**4,946.29**	**1,297.64**	**384.61**

AMOUNT OF HAZARDOUS WASTE GENERATED (IN TONNES)

	MGEN		
	2022	**2023**	**2024**
Used Oil	396.46	1,673.01	162.36
Busted Bulbs	0.23	0.23	0.26
Electronic Wastes	1.20	0.71	3.98
PCB-Contaminated Minerals	-	-	-
Lead-Acid Batteries	8.02	4.24	5.86
Infectious Wastes	0.52	0.04	0.06
Oil-Contaminated Materials	19.30	4.67	4.41
Contaminated Containers	3.34	12.14	15.74
Grease Wastes	0.73	2.05	2.92
TOTAL	**429.81**	**1,697.08**	**195.58**

and the newly energized Cordon Solar, total net saleable renewable energy capacity stood at 397.3 MW by July 2025.

At the heart of this vision is the MTerra Solar project—3,500 MWp of solar capacity with 4,500 MWh of storage—positioned to redefine the global clean energy landscape upon completion.

Driving water and electricity efficiency

From plant operations to grid innovations, MGEN is reducing resource intensity across the board. In 2024, around 325,000 cubic meters of wastewater were recycled at the Panay and Cebu sites, thanks to systems like rainwater harvesting and closed-loop cooling. Cebu Energy Development Corp. and Toledo Power Company Unit 1A pioneered cost-effective reuse strategies using recycled components from decommissioned plants.

Safeguarding biodiversity through reforestation

MGEN's environmental stewardship extends beyond its facilities. In 2024, MGEN employees came together for a tree-planting activity in Baras, Rizal, sowing fruit-bearing and native trees in support of the One Meralco Foundation's One for Trees program. In the first half of 2025, MGEN planted approximately 40,000 trees, bringing its total to 1.7 million trees grown across its operations.

This biodiversity-focused initiative not only helps sequester carbon and restore ecosystems, but also supports local livelihoods—creating shared value across communities.



4P's: People

Weaving Organizational Success with Compassion



MGEN recorded over 17.8 million safe-person hours for the first half of 2025

At MGEN, people are not just part of the business—they are the business. Behind every milestone is a team of passionate individuals empowered to grow, lead, and uplift others. The company's commitment to weaving organizational success with compassion is anchored on four pillars: safety, inclusion, experience, and integrity.

Safety first, always

In the first half of 2025, we maintained a safe working environment with over 17.8 million safe person-hours both for employees and contractors. While we recorded zero lost time accidents, zero recordable cases, and no fatalities, we had 19 first aid cases – all minor incidents which were immediately addressed on-site. These serve as important reminders that maintaining a safe workplace requires constant vigilance and care.

At MGEN, safety is more than a priority – it's a core value shared by everyone. We remain fully committed to strengthening our health and safety practices, investing in proactive measures to protect lives, and fostering a culture where safety is second nature. Together, we are building not just a safer workplace, but a stronger one.

Fostering inclusion and equal opportunity

Despite operating in a male-dominated industry, MGEN's workforce iis composed of 24% women, with 20% in senior leadership and 55% in the corporate offices—proof that performance and potential, not gender, drive advancement. MGEN celebrates individuality and maintains a discrimination-free environment where everyone is heard and empowered. The company continues to close the gender pay gap and increase female representation year-on-year.



Building on this commitment, in June 2025, MGEN strengthened its dedication to diversity, equity, inclusion, and belonging (DEIB) with the introduction of its DEIB policy. This policy fosters a workplace where authenticity, inclusion, and mutual respect are integral. As part of its efforts, MGEN partnered with the Philippine Financial & Inter-Industry Pride (PFIP) and extended health and medical coverage to same-sex and common-law partners. MGEN's diverse workforce is enriched by training, audits, and a grievance mechanism, ensuring accountability and fostering a culture where everyone feels safe, seen, and respected.

Building a culture that cares

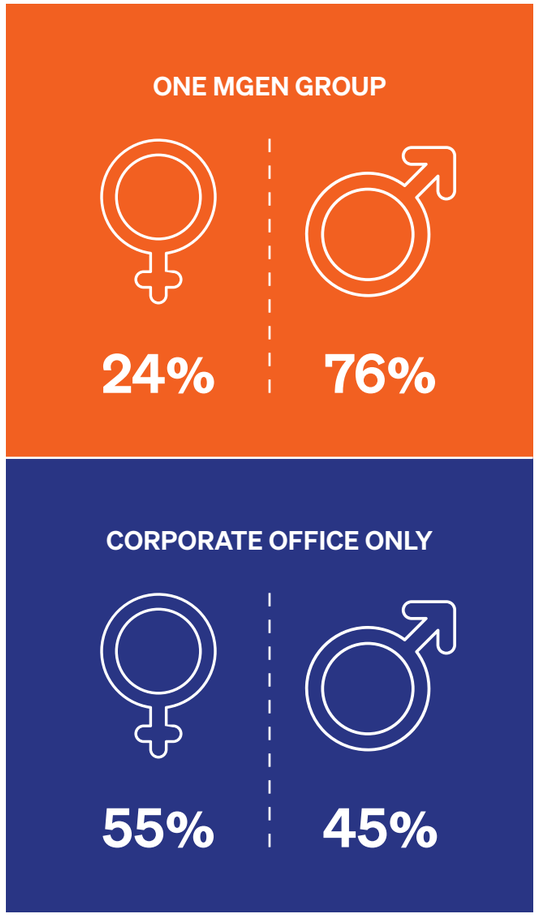
From festive celebrations to nationwide town halls, MGEN cultivates meaningful employee connections. Town halls are more than strategic updates—they're platforms for dialogue and shared purpose. Events like One Meralco's Battle of the Bands and MGEN's own music group "Power Generation" reinforce a vibrant, human-centered culture.

MGEN also invests in employee well-being and growth. The Human Resources team plays a vital role in shaping employee experiences—from global learning opportunities to moments of recognition that make people feel valued. As shared by HR leaders at the Economic Times Future Forward Summit, the company is focused on "The Great Retention," fostering workplaces where people genuinely want to stay and thrive.

Grounded in community and responsibility

MGEN's identity is reflected in how its people show up for others. Through the HAPAG program, employees extend their compassion to communities, impacting over 3,600 beneficiaries in 2024 alone. From fundraising campaigns to direct participation in school renovations, employees demonstrate MGEN's core belief: leadership is service.

This culture of compassion translates to action—from Christmas drives and education support to tree planting initiatives under One Meralco's "One



for Trees." These programs echo the organization's commitment to a better future for both people and the planet.

Embedding ethics at the core of MGEN's culture

MGEN upholds One Meralco's standards of integrity and accountability, guided by the same Corporate Governance Manual and Code of Business Conduct and Ethics. All employees, officers, and directors are expected to disclose business interests, avoid conflicts, and comply with anti-bribery and corruption rules. These policies extend to vendors, who must adhere to ethical practices and relevant laws. Oversight is ensured through internal audits and a system of controls.

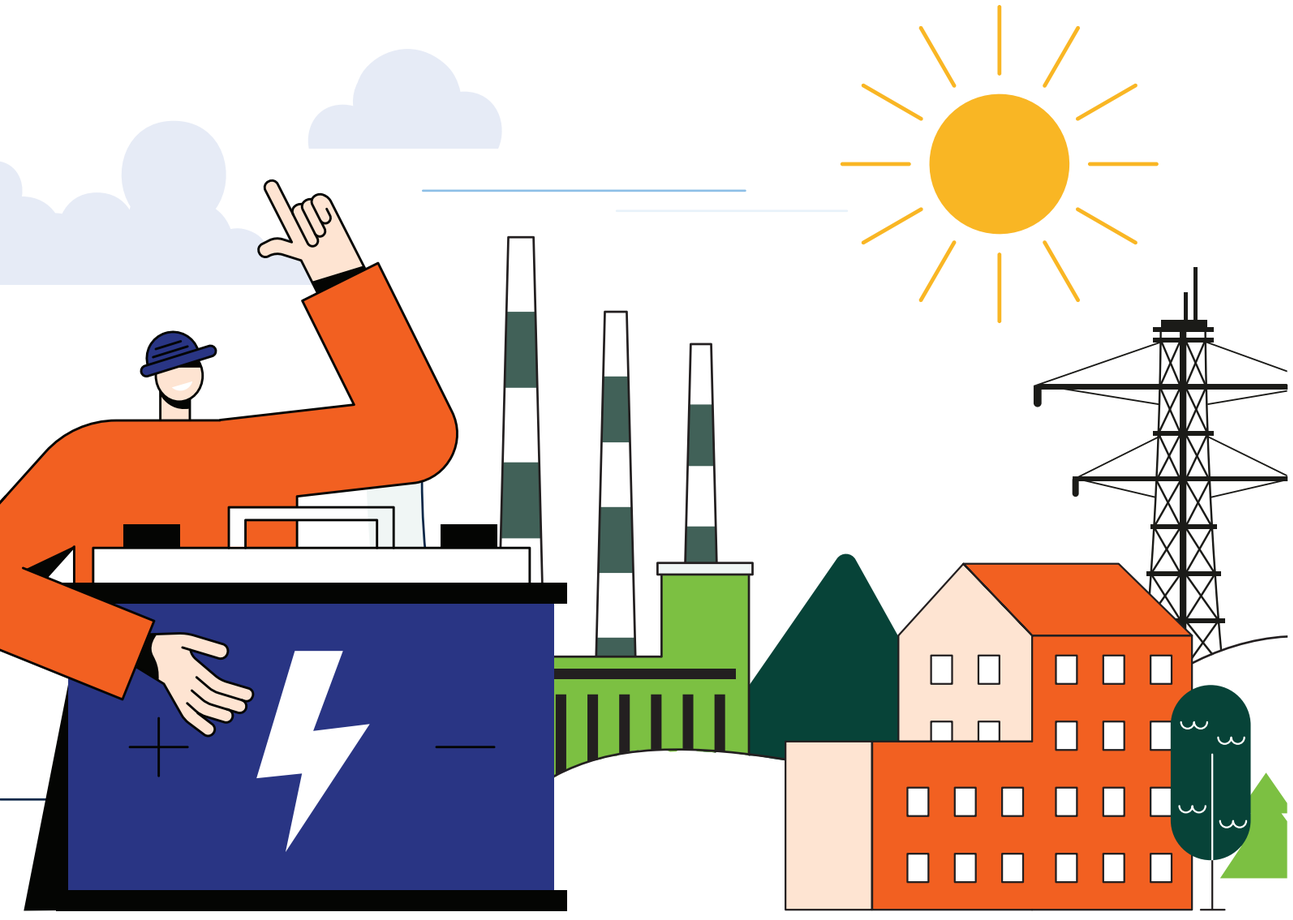
Through the DEIB policy, MGEN strictly prohibits retaliation of any form and urges employees to report such conduct through the company's feedback mechanism. Through these measures, MGEN embeds ethical leadership into its operations, ensuring trust with stakeholders and long-term organizational integrity.

Driven by values, connected by people

With a workforce of over 1,600 employees and contractors, MGEN continues to grow with intention—grounded in ethics, empowered by inclusion, and fueled by human connection. Whether through safety innovation, gender equity, employee-led CSR, or music and mentorship, MGEN proves that corporate performance and compassion are not mutually exclusive.

Together, MGEN's people are not just powering the grid—they are illuminating lives.





4P's: Prosperity

Weaving Strategy with Social Impact

MGEN believes that true prosperity is shared. As the company advances its power generation strategy, it remains anchored in partnerships that uplift communities, strengthen relationships, and deliver meaningful benefits to society.

Empowering communities through HEEED

At the heart of MGEN's commitment is the HEEED framework—Health, Education, Environment, Empowerment, and Development. This approach shapes initiatives such as the "Handog sa Pasko ng MGEN" (HAPAG), an annual employee-driven holiday program that reached over 3,500 beneficiaries across Nueva Ecija, Bulacan, Rizal, Cebu, and Iloilo in 2024. Employees led fundraising campaigns matched by MGEN Renewable Inc.'s "Piso Para Sa Piso," funding kiddie gift packs, Noche Buena packages, and even infrastructure improvements for nine daycare centers and two public schools.



Through its flagship MTerra Solar project, MGEN takes HEEED further. In partnership with local governments, MTerra Solar launched tailored programs to boost livelihoods in Nueva Ecija. Among these are TERRAnsform, a skills training program for over 600 residents; BrighTER, which installs solar streetlights in seven barangays; and CarTER, community marketplaces that empower local vendors. To date, the project has generated over 10,000 jobs during construction, with more expected, showcasing a clear link between renewable energy and inclusive development.

Strengthening community relationships

MGEN's social impact work is rooted in real partnership. In Gapan City, the mayor herself expressed full support for MTerra Solar, calling the project "a blessing" for the province. This sentiment reflects MGEN's approach to community engagement—listening first, acting with intention, and ensuring benefits are felt on the ground. Initiatives like these foster trust, social license to operate, and long-term collaboration.

Investing in the next generation

MGEN also participates in programs that bridge youth and industry. At Career Fair 2025, held at San Beda University, MGEN mentored aspiring professionals, offering job interview tips and career guidance in energy and innovation. These efforts reflect a long-term view of prosperity—one that invests in talent and future leaders.

As MGEN grows its clean energy portfolio, it continues to weave economic, social, and environmental impact into every thread of its strategy—proving that business success and community prosperity can go hand in hand.

Powering the Future of Renewable Energy in the Philippines

The MTerra Solar project, located across the provinces of Nueva Ecija and Bulacan, is well on its way to becoming one of the world's largest integrated solar plants, with a staggering 3,500 MWp capacity and 4,500 MWh of battery energy storage.

Ahead of its groundbreaking, TSPI, acting as the investment and development vehicle for the MTerra Solar Project, entered into a strategic partnership with UK-based Actis for a 40% interest in the project valued at US $600 million (approximately PHP 34 billion)—the largest foreign direct investment for a greenfield infrastructure project in the Philippines to date.

Since the groundbreaking in November 2024, Phase 1 of the project is already 54% complete as of end-June 2025, with land acquisition and conversion nearly finalized. Transmission efforts are equally on track, with 88 out of 89 500kV tower sites secured, marking a significant milestone in the project's development. In just eight months since the project groundbreaking, 778 MW of solar photovoltaic (PV) panels were installed—surpassing the target of 750 MW at this stage and setting the record as the largest solar PV installation in the country to date, showcasing the project's speed and momentum.

The scale of the project is also reflected in the workforce behind it—more than 10,000 workers have been mobilized, contributing over 7.5 million safe man-hours. This monumental effort plays a critical role in helping the Philippines achieve its renewable energy targets, including the goal of reaching a 35% renewable energy share in the power generation mix by 2030 and 50% by 2040.

With Phase 1 slated for completion in early 2026 and Phase 2 to follow in 2027, MGEN is set to exceed its renewable energy target of 1,500 MW by 2027, a full three years ahead of schedule. MTerra Solar is not just powering homes—it's powering the future of the Philippines' clean energy transition.

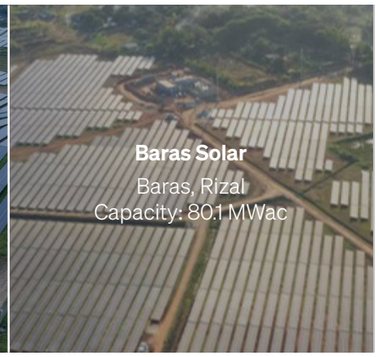


President Marcos attends the groundbreaking ceremony of the MTerra Solar project.

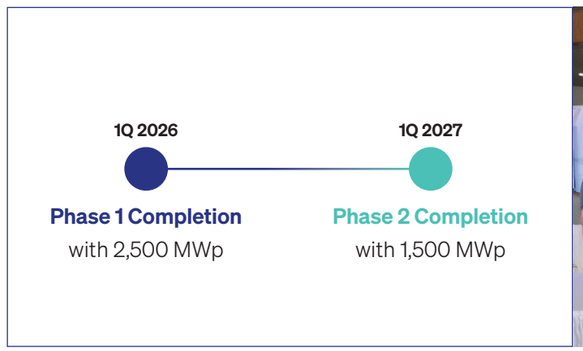
Delivering 152.7 MWac of Clean Energy through Three Solar Plants in Q1 2025







MTerra Solar Advances Toward Phase 1 Completion in 2026





BrighTER: Illuminating Communities

Under the BrighTER initiative, MTerra Solar will install solar-powered streetlights to the seven host barangays of Gapan, Peñaranda, and General Tinio, Nueva Ecija. This initiative will cover around 2 kilometers of road network and improve visibility and security for residents, particularly during the evening. Through this, the project will not only provide sustainable lighting solution but also aligns with MTerra Solar's commitment to empowering communities through clean energy.

TERRAnsform: A Job Readiness Training Project

In partnership with Meralco Power Academy (MPA) and the local government of Gapan, Peñaranda, and General Tinio, Nueva Ecija, the TERRAnsform program will equip around 630 scholars with specialized training tailored to support the ongoing construction of the MTerra Solar project. Notably, qualified scholars will be absorbed by the project's Engineering, Procurement, and Construction contractors, ensuring immediate employment opportunities and technological skills upgrade for the people of Nueva Ecija.

CarTER: Supporting Local Livelihoods

To support local enterprises, MTerra Solar launched the CarTER initiative, which includes the construction of three temporary community marketplaces within the project's Phase 1 site. These dedicated spaces will serve as hubs for local vendors, providing them with a designated area to sell goods and services and fostering economic activity and entrepreneurship within the community. This marketplace aims to empower small business owners and enhance local trade, serving up to 7,500 workers.


LNGPH Complex, Batangas

Outlook:

Scaling Innovation for a Resilient Energy Future

MGEN is strategically positioned to lead the Philippines toward a secure, affordable, and sustainable energy future. The company is focused on expanding its energy portfolio to meet the country's growing demand while driving decarbonization and supporting long-term energy security. MGEN's robust investments in both transitional and renewable energy sources will play a key role in shaping the nation's energy landscape. With the completion of its investment in Chromite Gas Holdings Inc., the company will operationalize a 2,500-MW LNG facility in Batangas, supporting the DOE's push for a more reliable and flexible energy mix. This advanced facility integrates LNG storage and regasification systems with state-of-the-art plant technology, adding critical capacity to stabilize the country's power supply.

Meanwhile in Singapore, PLP's 900 MW LNG plant operates at 60% efficiency and will soon be joined by a 640 MW hydrogen-ready facility—the city-state's largest CCGT (Combined Cycle Gas Turbine) plant. Slated for 2029, it integrates 201 MWh of battery storage and will start on 30% hydrogen, expandable to 100%, reinforcing PLP's reputation as Singapore's largest Clean Development Mechanism (CDM) project.

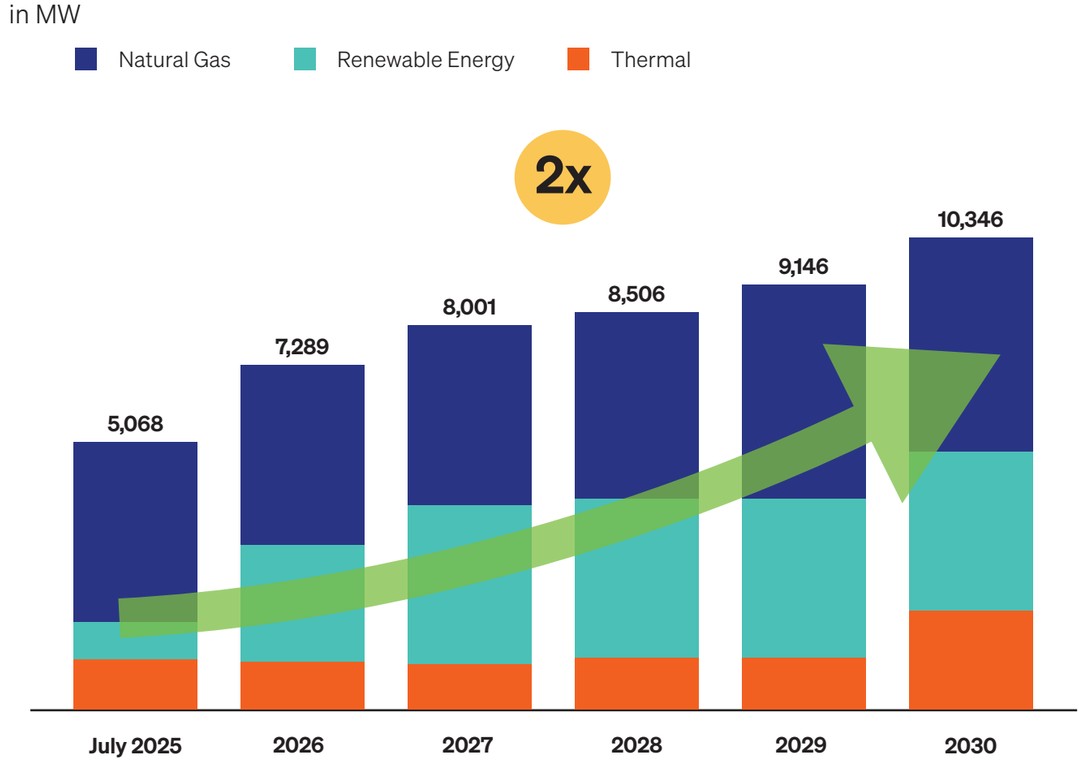
As of July 2025, MGEN's LNG capacity stands at 3,375 MW. By 2030, this will increase to 4,447 MW, representing a 32% growth.

The company is also expanding its RE capacity from the current 397.3 MW as of July 2025 to 3,379.3 MW by 2027, a remarkable 751% increase in less than two years, reaching its 2030 target three years earlier. MTerra alone is expected to deliver 3,500 MWp of solar power and 4,500 MWh of battery storage capacity, providing clean energy to approximately 2.4 million homes.

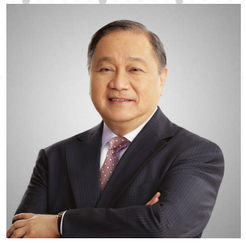
Meanwhile, MGEN's thermal capacity, currently at 1,295.7 MW, will experience a substantial expansion. With ongoing projects like the Toledo plant expansion and the Atimonan One Energy plant, MGEN is on track to increase its baseload thermal capacity to 2,520 MW by 2030, marking a 95% increase from current levels. In addition, MGEN plans to develop a 20 MWh battery energy storage system (BESS) in Carmen, Cebu, targeted for completion by the third quarter of 2026.

These efforts are part of MGEN's broader strategy to enhance its energy portfolio. By 2030, the combined net saleable capacity of MGEN's LNG, renewable, and thermal assets will exceed 10,300 MW—more than double the company's current capacity of 5,068 MW. This expansion firmly reinforces MGEN's unwavering commitment to delivering a secure, reliable, and sustainable energy future for the Philippines, while proactively addressing the country's evolving energy demands and supporting its transition to a low-carbon future.

NET SALEABLE CAPACITY ROADMAP



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** Incoming MGEN Thermal President & CEO (October 2025)*

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