



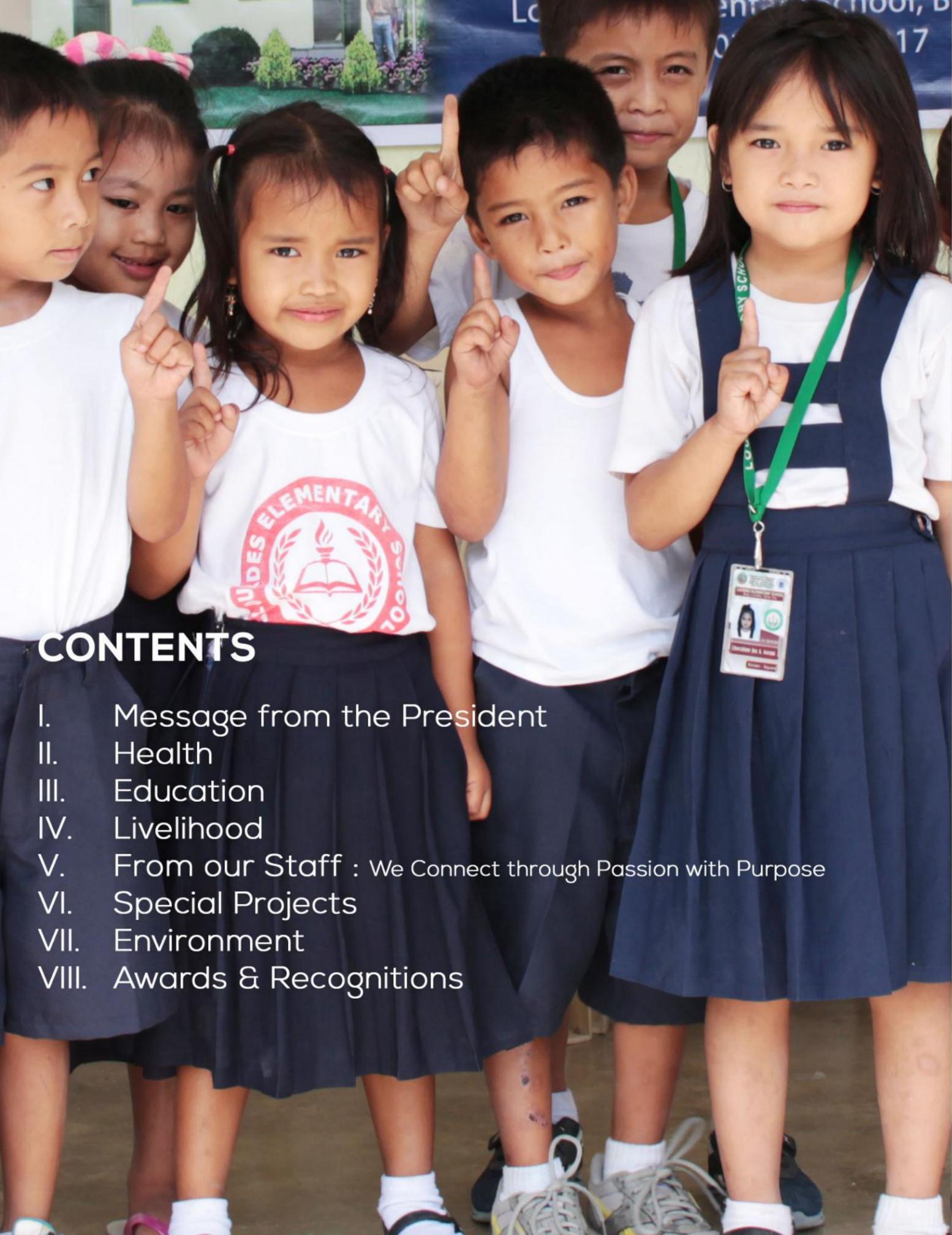
2017
JUNE
CSR Report



CONNECTING WITH COMMUNITY



WE POWER
HELP.
Health, Education, Livelihood Programs



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M

Message from the President



Corporate Social Responsibility (CSR) has been at the helm of PetroEnergy since we started our business. Our CSR roots can be traced back in 2006 when we supported public education enhancement by sponsoring teachers' seminars and conventions. Being a member of the Yuchengco Group of Companies (YGC) and having a strong affiliation with one of best engineering schools in the country, the Mapua Institute of Technology, now Mapua University, education is a theme very close to our hearts.

In 2007, we were presented with the opportunity to partner with the Department of Education (DepEd) and the ABS-CBN Foundation to develop a competency development program for teachers and to produce a manual of teaching techniques in Science, English, and Mathematics. Recognized by DepEd as a pioneer program, this Teachers' Training Program initially covered 400 public high school teachers in Batangas, Laguna, and Palawan. At present, the program is being replicated in Aklan and Tarlac to include more beneficiaries.

It was in 2009, when we became the developer and operator of our geothermal energy project, that we were able to interact closely with our communities and design more inclusive projects for health, education, and livelihood. In 2013, we launched our CSR brand **We Power H.E.L.P.** (Health, Education, & Livelihood Program), as our tool for communicating and promoting our CSR projects.

Over the years, our CSR approach remains the same : to **enhance** existing natural and human resources in our host communities, to **enrich** their individual and community potentials through trainings, and to **empower** them to be self-sustaining and resilient communities.

As a result of our growing CSR program, we are glad that we are able to reach more beneficiaries and that we now have more ways to connect with our communities – either as a company or individually. We connect by contributing to the country's energy supply, by addressing basic needs, and by ensuring that our business activities positively impact their communities and the environment.

Moving forward, PetroEnergy will strive to devote more resources for our **We Power H.E.L.P.** initiatives. Our management and staff will also remain to be active partners in our CSR projects and in our efforts to communicate and connect more with our communities.

“For our CSR initiatives to succeed, we ensure that we all play an active role. Mine is to set direction and impart the message that our social responsibility is something that we are very serious about.

We have always emphasized to our communities that our CSR thrust is to develop long-term, sustainable programs that will help them progress and be self-reliant in the future.

In this way, we hope to inspire our stakeholders to have their own vision as a community and to work together towards that vision.”


MILAGROS V. REYES
President

We connect by providing access to basic health services to our host communities



M

Medical Mission

MGI conducted two (2) medical missions last year in Puting Lupa, Calamba City (July 23, 2016) and in Brgy. Santiago, Sto. Tomas, Batangas (August 6, 2016).

A total of **335 beneficiaries** availed of the free medical services and supplies.



FCRS Manager Pedro G. Callos, Jr. gives out free medicines to medical mission beneficiaries



In Aklan, annual medical missions were also held in four (4) host Barangays- Barangays Unidos (May 25), Napaan (May 26), Pawa and Rizal (May 31). With the support of the Municipal LGU of Nabas, the Municipal Health Office, the Council of each Barangay, and the Barangay Health Workers, the 3-day medical mission successfully served **668 beneficiaries**.



MGI also provided free dental services to the Barangay residents

Ambulance Donation



PSC Vice President Francisco G. Delfin, Jr. (2) led the ambulance turn-over ceremony to Brgy. Balete in Tarlac on April 20, 2017. The ambulance was received by Barangay Balete Chairman Rodel Galang (1). Also present during the activity were PSC Senior Project Manager Fermin B. Chavez (3), and PERC HR and Admin Head Arlene B. Villanueva (4).

Provision of Nutritional Supplements

PWEI continues to support the fight against malnutrition through provision of vitamins and supplements to the children of Barangays Napaan and Rizal.



Operation "Libreng Tuli"

MGI conducted the Operation "Libreng Tuli" on April 24, 2017 in Brgy. San Rafael and on May 13, 2017 in Puting Lupa. The project benefitted 74 children and is a continuing partnership among the Barangay Councils, health workers, and MGI.



EDUCATION

We connect by providing access to quality education



PSC donated one (1) kinder classroom building to Lourdes Elementary School in Brgy. Lourdes Tarlac City. The new classroom was formally turned-over last May 31, 2017. The turn-over ceremony was also graced by representatives from Office of Mayor, Mr. Ver Gomez, DepEd Superintendent Alberto Saludez, DepEd Supervisor Lutgarda Vitug, council members of Brgy. Lourdes headed by Chairman Edison Diaz, PetroSolar representatives VP Jun Delfin , HR Manager Arlene Villanueva , PM Fermin Chavez and ComRel Manager Yrel Ventura.

E Educational Assistance Program

PSC awards the second tranche donation for the Educational Assistance Program to Baleta and Lourdes Elementary Schools in Tarlac. The donation will be utilized for various school projects such as vegetable garden, sports, waste management, and necessary building repairs.



PGEC Environmental and ComRel Manager Yrel V. Ventura with the student-recipients of the Educational Assistance Program

Teachers' Training Program

With the theme *"Empowering Our Teachers as Lifelong Learners"*, the 2nd series of Teachers Training Program in Tarlac City were conducted last May 23-25, 2017 in La Maja Rica Hotel, Tarlac City.

In coordination with DepEd Tarlac Division and Malayan Colleges Laguna (MCL), the 2nd training series focused on the theme - *"Developing Strategic Intervention in English, Science and Mathematics."*



The recipient teachers of the said training are from the following schools: Balete Elem School, Brgy. Balete; Lourdes Elem School, Brgy. Lourdes; CAT High Annex Balete, Brgy. Balete and CAT High Main, Brgy. Central Azucarera de Tarlac, all from Tarlac City.

High caliber speakers were the facilitators for this year's training program namely :

- Prof. Shane Alexander Laong from University of Sto. Tomas
- Dr. Mila Arias from De La Salle Univesity
- Prof. Aleli Domingo from University of the Philippines Los Banos
- Prof. Bladimir Ocampo from UP Diliman



MGI Environmental and ComRel Officer Carina P. Buduan conducts regular school lectures and film showing for elementary school students as part of MGI's information and education campaign.

The activity aims to teach the students about the geothermal energy's technology, processes, and benefits.



School Lecture and Film Showing





Scholarship Program



PetroEnergy has always believed in the importance of quality education to produce lifelong learners and productive members of the society. In 2011, PetroEnergy awarded full scholarship grants to deserving students from Puerto Princesa, Palawan, who qualified for engineering courses at PetroEnergy's partner school, Malayan Colleges Laguna.

To date, PetroEnergy is proud that among its **18 scholars**, **three (3)** are already licensed engineers and are currently working at EEL Corporation and Palawan government office, **one (1)** is an IT teacher at STI Colleges Palawan, and **two (2)** are already culinary chefs.



Malayan Colleges Laguna



(1)



(2)



(3)



(4)



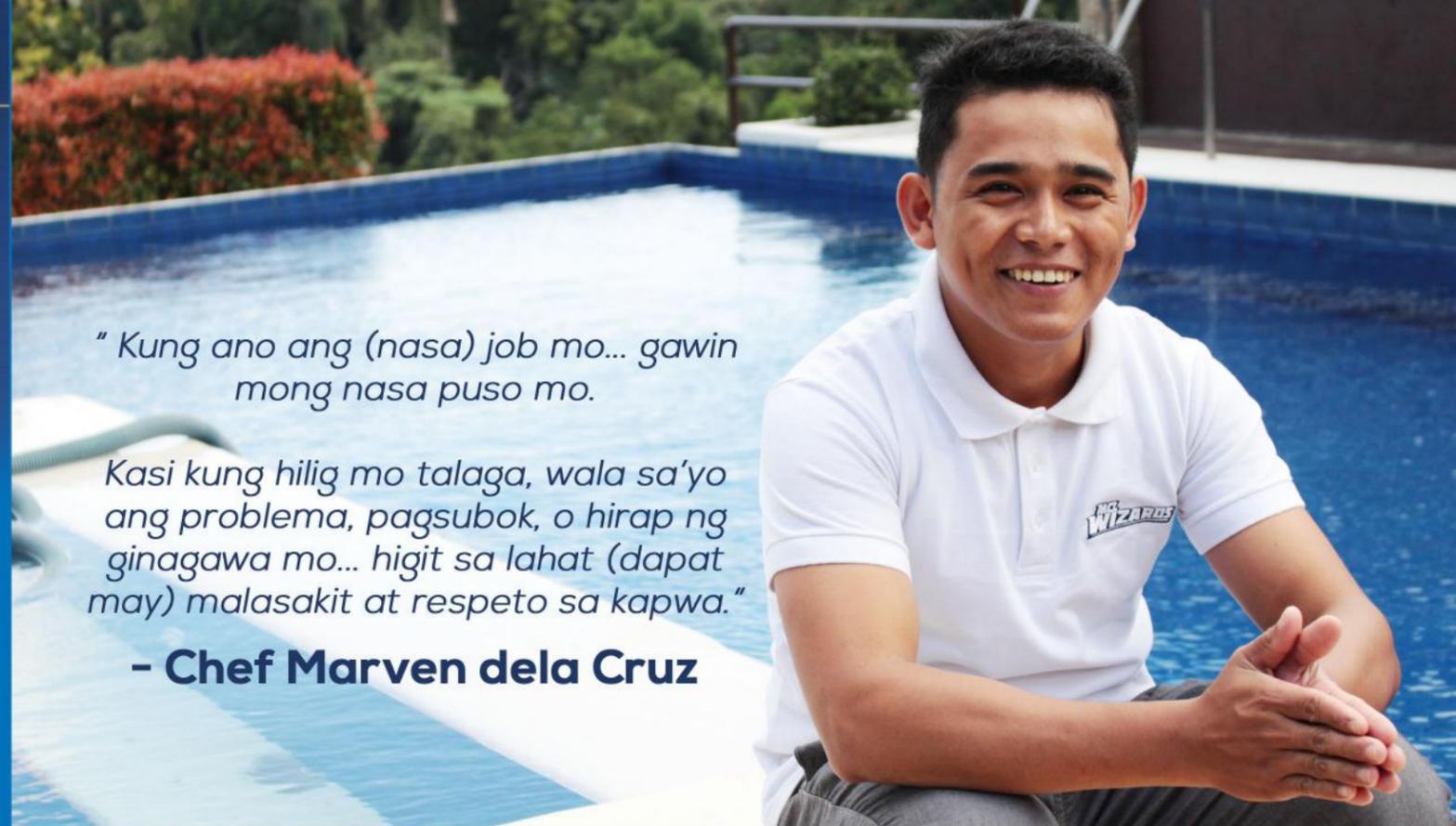
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- 1 - Engr. Clark Jason Amores graduated with a BS Civil Engineering Course and is currently working in Palawan Provincial Government
- 2 - Engr. Joel Roche graduated with a BS Civil Engineering Course and is currently working at Lea and Sons Trading And Constroction in Palawan
- 3 - Engr. Joseph Abano currently works in EEI Corp
- 4 - Hadje Tenorio graduated with a degree in Culinary Arts Program and is currently processing his papers to work in a cruise ship
- 5 - Wilmar Castro graduated with a BS Info Technology course and is currently a College Instructor in STI Puerto Princesa
- 6 - Marven dela Cruz graduated with a degree in Culinary Arts Program and is currently working as Chef in Auspere Nature Farm in Tagaytay

P Petro Scholar Graduates



" Kung ano ang (nasa) job mo... gawin mong nasa puso mo.

Kasi kung hilig mo talaga, wala sa'yo ang problema, pagsubok, o hirap ng ginagawa mo... higit sa lahat (dapat may) malasakit at respeto sa kapwa."

- Chef Marven dela Cruz



Marven dela Cruz is one of the two (2) culinary arts scholar of PetroWind Energy Inc. (PWEI) Marven dela Cruz is currently a chef in a private resort farm in Tagaytay.

He is now conceptualizing new dishes for the resort's upcoming farm-to-table restaurant.



We connect through livelihood opportunities for sustainable and resilient communities



PetroEnergy's livelihood program follows a framework which focuses on understanding the needs of the communities, mapping their available resources, preparing them with a unified vision, and providing them with technical and business competency trainings.

At the end of the implementation, the aim of the program is for the community to have alternative income sources, new skills, and the capacity to be self-sustaining. PetroEnergy's pilot livelihood project in Aklan which was started in 2015 is now on trial production while technical trainings for livelihood development will be carried out in Batangas in 2017.

CSR FRAMEWORK for Sustainable & Resilient Livelihood

01 Community Profiling



02 Social Preparation



Community Goal-setting

03 Capacity Building for Organization Effectiveness



- Organizing the Community
- Formalizing the Enterprise
- Building an Effective Team

05 Sustaining the Initiatives



- Developing Community-based Enterprise
- Trial Market, Sustained Production, etc.

04 Sustainable and Resilient Livelihood Development



- Identifying and Selecting Suitable Economic Activities
- Technical Training
- Trial Production

06 Exploring Options for Scaling-Up/ Program Assessment





PAELDA products on display and sale during the visit of APEC 60-pax delegation to Aklan last June 17, 2016.

M Mushroom Culture and Production

At present, PAELDA is working on mushroom cultivation and production. The activity is being done in the PAELDA's multi-purpose livelihood center which was donated and formally turn-over by PWEI to PAELDA on April 26, 2017. Present during the turn-over ceremony were Nabas Mayor James Solanoy, PWEI EVP for Operations F.G. Delfin, Jr. PWEI Senior Project Manager Jun Villena, PERC Corp. Communication Manager Vanessa Peralta, Pawa Barangay council, and the officers of PAELDA.



Bariw mat-weaving by PAELDA members.

Bariw or *Pandanus copelandii* is a versatile plant with long leaves and is closely associated with Pandan plant. Its leaves are pounded, scraped, and dried to be used as raw material for mat-weaving.

For resiliency, the Pawa Agri-ecotourism and Livelihood Development Association (PAELDA), the beneficiary peoples' organization in Aklan, identified three themes where they can focus on for their livelihood activities – **crafts** by improving their Bariw mat-weaving business, **agriculture** by learning new techniques and technologies, and **ecotourism** by catering to tourists' services and products.



Executive Officers of PWEI's new partner BCPG Ltd Co. with PAELDA officers during their site visit in the wind farm last June 20, 2017.

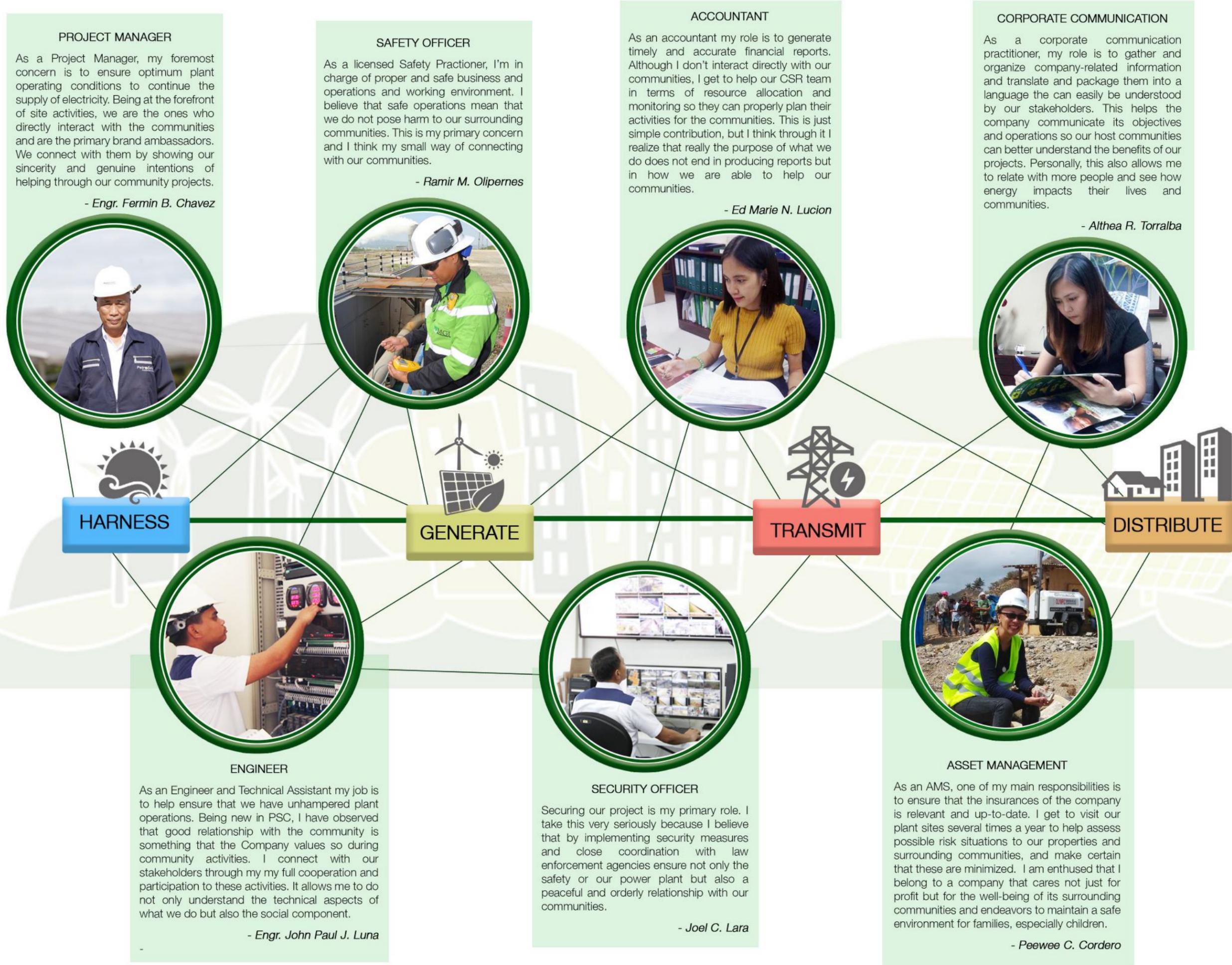




through Passion with Purpose

We at PetroEnergy believes that the key to achieving our vision to grow as a profitable energy company does not solely depends on good business operations but also on the individual contribution of our staff. Same is true with our goal of forging genuine relationships with our stakeholders.

Our people are our front liners in connecting with our communities. They are our partners in ensuring that our company connects, through the roles they perform and the passion they show in performing their jobs. Like a well-oiled machine, our individual roles, no matter big or small, play an invaluable part in being a socially-responsible business entity.



We connect by ensuring environment-friendly business and operations

Environmental Program Components



Site Restoration and Protection

Compliance with Regulatory Agencies & Monitoring Mechanism

Annual Environmental Activities

Community Involvement & Participation

ENVIRONMENT

PWEI Site Rehabilitation & Protection



Bioengineering measures in place

- Coco fiber
- Wire mesh
- Geotextile
- Vegetation cover



Drainage trenches and line ditch



Gabion Silt Barriers and retaining walls

Fill Slope Approaching WTG 9 (Engineered Slope Protection)



MOA Signing of the Multi-partite Monitoring Team (MMT)

-  Formalizing of interim MMT required by Nabas Sangguniang Bayan
-  Multi stakeholder quarterly monitoring by DENR, LGUs, and NGO to provide recommendations to PWEI
-  Covers air emission, water discharge, solid waste, and rehabilitation work
-  Three-year effectivity with annual budget of Php 228,500



(L-R) – PWEI EVP Jun Delfin, Aklan Gov. Joeben Miraflores, Nabas Mayor James Solanoy and DENR EMB Region 6 Officer Stella Tipanan showing the signed MOA on January 5, 2017



Seedling Nursery

In April 2017, the Survivor Association (DENR-accredited People's Organization) established the Seedling Nursery for the 41-hectare plantation

Solar Sharing

On January 13, 2017, the PSC Staff headed by PM Fermin Chavez together with its subcontractors jointly planted more than 300 seedlings of lemon grass and pandan in the perimeter area of the parking lot near the Control Building.



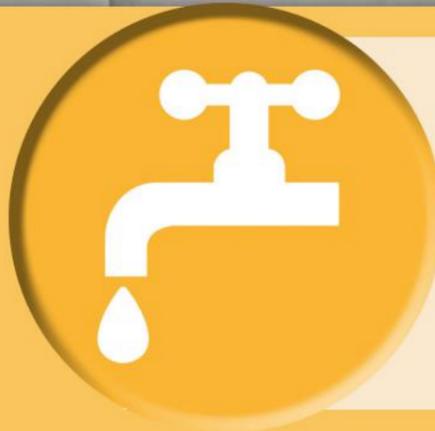
SPECIAL PROJECTS

We connect by addressing the communities' special needs

01

Sustainable Water System

Sustainable water system rehabilitation for Brgys. Pawa and Unidos in Aklan and Sitio Capuz in Brgy. San Rafael, Sto. Tomas, Batangas.



02

Barangay Electrification

Electrical supply for Brgy. Pawa, Nabas, Aklan



03

Solar Street Lamp

Ten (10) Solar street lamp donation to Department of Environment and Natural Resources (DENR) – NCR compound



04

Support for socio-civic activities of the local government units



AWARDS and RECOGNITION



(1)



(6)



(2)

We connect
by observing highest
regulatory standards
and best practices



(5)



(3)

- 1 - MGI as Top 1 Taxpayer in Sto. Tomas (2016) and Top 8 in Batangas (2015)
- 2 - PSC's community projects as PEZA's outstanding community project
- 3 - PWEI as Top 1 Taxpayer (2016) in Nabas, Aklan

- 4 - PSC Educational Assistance Program recognized by Balete Elementary School
- 5 - MGI's 20MW Maibarara Geothermal Power Project as 2016 Geothermal Power Project of Year by Asian Power Magazine
- 6 - PWEI as WWF-Philippines 2016 Outstanding Corporate Partner for IEC Campaign



(4)



Message from
the CSR Team





A YGC Member
The Power of Synergy

Produced by:
Corporate Communication Unit