



2020 ANNUAL REPORT

RESILIENT

RELIABLE

RESPONSIBLE



ABOUT THE THEME

Amidst the challenges of 2020, we, at Global Business Power, demonstrated our strength as a service provider and our commitment as a community partner.

Anchored on the foundation of sustainability, our systems and Business Continuity Plan proved our resilience and capability of ensuring uninterrupted power supply as a reliable partner. As a responsible corporate citizen, we remained committed to our call of duty while safeguarding the well-being of our employees, customers, suppliers, communities and the entire business ecosystem in these trying times.

Resilient, reliable and responsible. We stand by our purpose, our people, our customers and the communities we serve with greater confidence.





VISION

By 2030, to be the foremost provider of sustainable energy solutions, utilizing diversified sources and innovative technologies, in the pursuit of enlightening lives and empowering progress.

MISSION

We raise the quality of life of the Filipino and fuel the economic development of the nation by providing efficient and competitive energy services through investment in people and innovative technologies.

VALUES

Passion for Excellence

Innovation

Ownership

Integrity

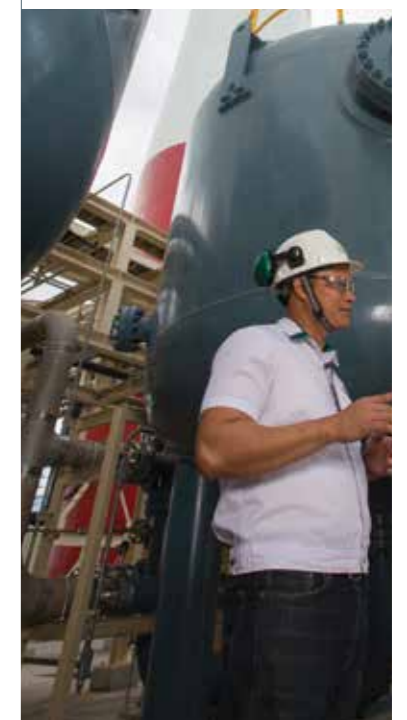
Care for Environment

Teamwork

Care for Employees

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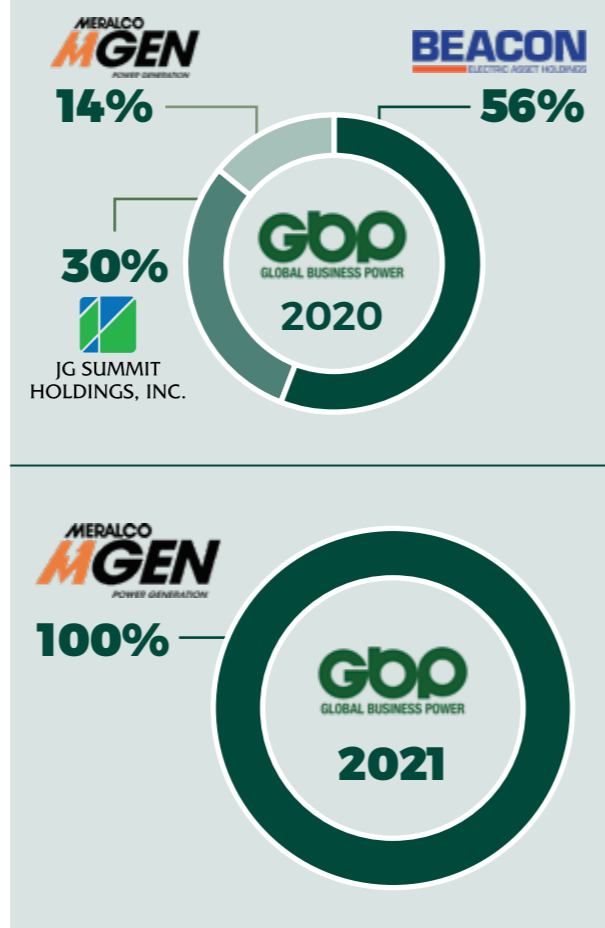
COMPANY PROFILE

GLOBAL BUSINESS POWER CORPORATION, with a total gross capacity of 1,091 MW, is a leading independent power producer in the Visayas, with presence in Mindanao and Mindoro islands. Harnessing the expertise of its shareholders Metro Pacific Investments Corporation (MPIC) and JG Summit Holdings, Inc., GBP provides flexible energy solutions to address the varying requirements of its customers and the nation.

GBP traces its origins in 2002, starting out as Mirant Toledo Holdings Corporation. Over the years, GBP carved a niche in the Visayas region and Mindoro Island when in the late 2000s, GBP took on the government’s challenge of resolving the erratic power supply that hindered the Visayas from attaining its full economic potential.

GBP sought to mitigate the crippling energy shortage by strategically building power facilities positioned within high-growth areas. With the establishment of a 3x82 MW clean coal plant in Toledo City (through its subsidiary Cebu Energy Development Corporation) and a 3x82 MW plant facility in Iloilo City (through its subsidiary Panay Energy Development Corporation), GBP helped transform these cities into dynamic engines of growth in the region.

As GBP helped shape the Visayas region, it also underwent changes within the organization. On May 27, 2016, Metro Pacific Investments Corporation (MPIC) and JG Summit Holdings, Inc. (JGS) entered as strategic investors, acquiring the shares previously held by GT Capital, First Metro Investment Corporation, and ORIX METRO Leasing and Finance Corporation.



Committed to support the growing energy needs of a dynamic nation, in 2017, GBP expanded outside the Visayas region to include foothold in the emerging Mindanao market through a 50% stake in Alsons Thermal Energy Corporation (ATEC), the holding company of the baseload coal-fired plants of the Alsons Power group. ATEC has a 75% equity in Sarangani Energy Corporation which owns and operates the 237 MW coal-fired power plant in Maasim, Sarangani. ATEC also has full ownership of San Ramon Power, Inc. which is developing a 120 MW coal-fired power plant in Zamboanga.

On December 23, 2020, MPIC and JGS announced the signing of agreement with Meralco PowerGen Corporation (MGen) to transfer their respective shareholdings to MGen in promoting scale and operational efficiency, as part of its growth strategy. The transaction will result to MGen fully owning GBP.

SUBSIDIARIES

Global Business Power Corporation – ISO 9001:2015

Cebu Energy Development Corporation

LOCATION	GROSS CAPACITY	FUEL TYPE	ISO CERTIFICATION
Toledo City, Cebu	246MW	Coal	ISO 9001:2015 ISO 14001:2015 OHSAS 45001:2018

Panay Energy Development Corporation

LOCATION	GROSS CAPACITY	FUEL TYPE	ISO CERTIFICATION
Iloilo City, Iloilo	164MW	Coal	ISO 9001:2015 ISO 14001:2015 OHSAS 45001:2018
	150MW	Coal	

Toledo Power Co.

LOCATION	GROSS CAPACITY	FUEL TYPE	ISO CERTIFICATION
Toledo City, Cebu	60MW	Coal	ISO 9001:2015 ISO 14001:2015 OHSAS 45001:2018
	40MW	Diesel	
	82MW	Coal	

Panay Power Corporation

LOCATION	GROSS CAPACITY	FUEL TYPE	ISO CERTIFICATION
Iloilo City, Iloilo	72MW	Diesel	ISO 9001:2015 ISO 14001:2015 OHSAS 45001:2018
	20MW	Diesel	
Nabas, Aklan	7.5 MW	Diesel	
New Washington, Aklan	5 MW	Diesel	

GBH Power Resources, Inc.

LOCATION	GROSS CAPACITY	FUEL TYPE	ISO CERTIFICATION
Pinamalayan, Oriental Mindoro	7.5 MW	Diesel	ISO 9001:2015 ISO 14001:2015 OHSAS 45001:2018

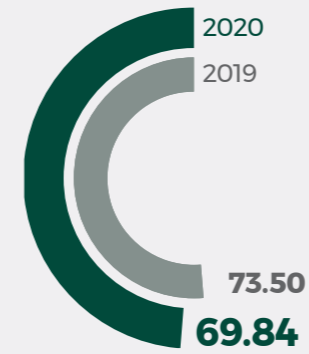
AFFILIATE

Sarangani Energy Corporation

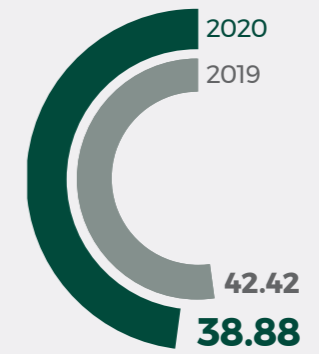
LOCATION	GROSS CAPACITY	FUEL TYPE
Maasim, Sarangani	118.5 MW	Coal
	118.5 MW	Coal

FINANCIAL HIGHLIGHTS AT A GLANCE

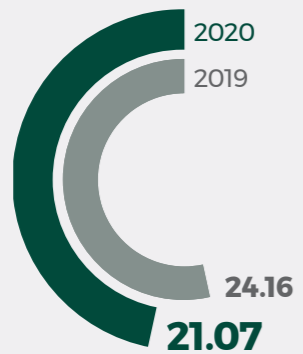
TOTAL ASSETS
(In Billion Php)



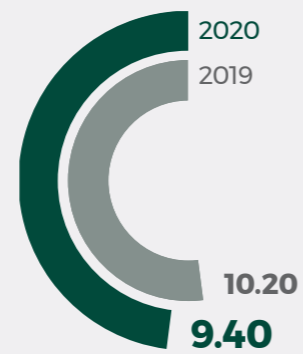
TOTAL LIABILITIES
(In Billion Php)



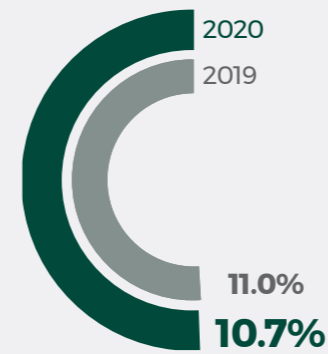
REVENUES
(In Billion Php)



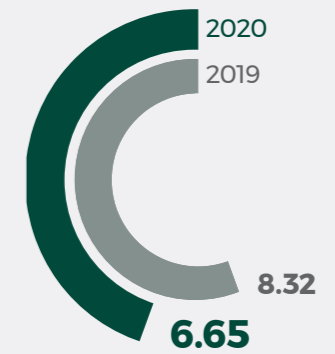
EBITDA
(In Billion Php)



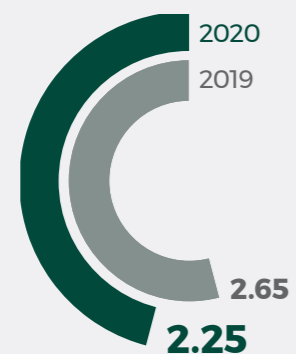
RETURN ON SALES



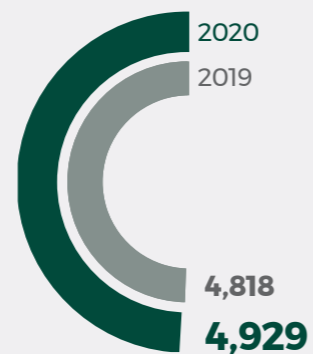
CASH AND CASH EQUIVALENTS
(In Billion Php)



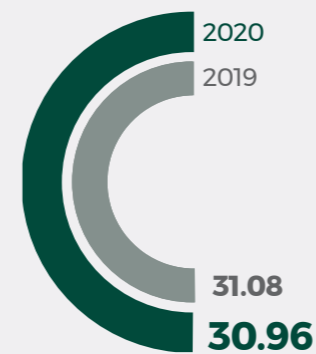
NET INCOME AFTER MINORITY INTEREST
(in Billion Php)



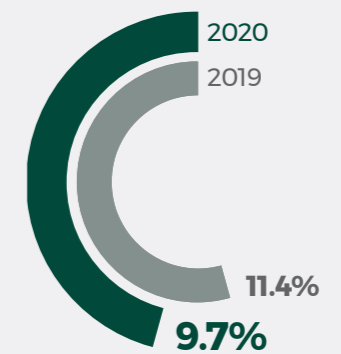
TOTAL ELECTRICITY SALES
(in GWh)



TOTAL EQUITY
(In Billion Php)



RETURN ON EQUITY



RESILIENT, RELIABLE, RESPONSIBLE

“
**BUILT ON A
FOUNDATION OF
SUSTAINABILITY,
OUR YEARS OF
DEDICATION TO
ORGANIZATIONAL
EXCELLENCE
ENABLED US TO
ACT SWIFTLY
AND SMOOTHLY
TRANSITION TO THE
NEW NORMAL WHILE
CAPITALIZING ON
OUR STRENGTHS.**

”



MESSAGE FROM THE CHAIRMAN

Among the many words which has become a staple in 2020 was RESILIENCE. In what is arguably the most challenging year in recent history, Filipinos were anything if not resilient. The COVID-19 pandemic virtually shut down economies, reshaped people’s way of life, and irrevocably changed our world. The promising start of a new year was shadowed by the unexpected eruption of the Taal Volcano, affecting a large part of Luzon. As 2020 was about to end, floods submerged different parts of the country but still, nothing compares to the impact of COVID-19 on our physical, economic, and social health.

What was initially seen as a consequential year for the country’s economic recovery had been overturned by this unexpected disruption, forcing the Government to implement quarantine restrictions in the first quarter to mitigate the health crisis. Although the economy slowly started to open by the second half of 2020, full-year GDP contracted by 9.5%, the sharpest recorded contraction in Philippine history, and the first negative growth since the Asian financial crisis. The pandemic also posed challenges for some big-ticket energy initiatives such as the Mindanao-Visayas Interconnection Project (MVIP) which was to take off in 2020 but may be extended further beyond its adjusted December 2021 target, and the Mindanao WESM which is now set by mid-2021.

On the business side, your Company saw a 13% decrease in revenues, from Php 24.16B to Php 21.07B. This can be attributed mainly to lower fuel costs as part of our strategy to offer our customers cost-effective power supply. Despite a slight 2% increase in consolidated sales volume due to full year realization of the Ancillary Service Procurement Agreement (ASPA) contracts and additional bilateral contracts, down the line, our net income net of minority interest decreased by 15% from Php 2.65B to Php 2.25B due to higher general and administrative expenses and lower WESM prices caused by a substantial decrease in demand.

Notwithstanding the economic downturn as a result of the pandemic, we managed to forge ahead. Our solid foundation, long established principles and distinct competitive advantage allowed us to thrive with a shared sense of purpose, responsibility, and accountability.

RESILIENT.

Built on a foundation of sustainability, our years of dedication to organizational excellence enabled us to act swiftly and smoothly transition to the new normal while capitalizing on our strengths. We quickly activated our Business Continuity Plan at the onset of the public health crisis, primed digital set-up for remote work, applied good cash flow management and performed in-house plant maintenance in the absence of 3rd party contractors because of border restrictions—all this to provide uninterrupted service to dear our customers.

RESILIENT, RELIABLE, RESPONSIBLE

RELIABLE.

Just as unflagging hope and optimism are in the DNA of Filipinos, so is our resolve to serve and continue our day-to-day operations despite the unpredictable challenges of the pandemic and the natural calamities that beset our country. We commend the dedication of our people, who understood how vital it was to keep the proverbial lights on, so that essential public services remained available, businesses stayed open, and digital solutions used by individuals, homes, and enterprises continued running.

RESPONSIBLE.

We remained focused on taking care of not just the health of our business, but equally vital is the welfare of our entire ecosystem. Our first priority is the health of our workforce because only when they are in the best of health will they be in a position to serve the second layer of our ecosystem—our shareholders, customers, suppliers, regulators and communities. With the help of the MVP Group Vaccine Task Force, our inclusive vaccination plan covers vaccine procurement for our employees, qualified dependents, and household members, with the target roll-out in Q3 2021.

The pandemic may have caused historic setbacks but it also brought out the best in us, brought to the fore our core traits and values, revealing what we are all about—as a nation, as a private institution and as an individual unit. As a nation, we saw the Government and the private sector



**Inclusive
vaccination
plan for the
MVP Group's
employees
and qualified
dependents**



**Solar Projects
operational by
2022**



**GBP to be
fully owned by
MGen**

MESSAGE FROM THE CHAIRMAN

act in solidarity and with a renewed sense of community spirit, sharing resources and expertise to address the public health crisis. As a private institution, the pandemic shed light on the higher purpose of our business which highlights to a greater extent the importance of looking after the welfare of the entire business ecosystem. As an individual unit, our people sacrificed being away from their families for a month or two to heed the call of duty while coping with health issues.

Now more than ever, nation building takes on a whole new meaning as we help get the country back on its feet and build it back better. As Government pushes ahead with initiatives to resolve the pandemic and get our economic development back on track, it will find a committed ally in GBP. At the same time, we will further build our foundation around sustainable business operations to become a more *Resilient* organization, a more *Reliable* partner for our customers, communities and country, and a more *Responsible* institution.

While the threat of the virus remains, we stay committed to our goal of becoming a foremost provider of sustainable energy solutions and continue our pursuit of renewable technology despite movement limitations. And now, we are well on our way to commencing the construction of our two solar projects by Q2 2021. We are expecting to begin commercial operations in 2022, in time for post pandemic recovery.

We continue to look ahead and prepare for the future. Before the year ended, we announced the agreement to transfer shareholdings of Metro Pacific Investments Corporation and JG Summit Holdings in GBP to Meralco Powergen Corporation (MGen), making GBP fully owned by MGen. This synergy allows us to consolidate power generation capital into one vehicle for operational efficiency and strategic growth. With GBP's operational expertise in running power generation facilities in Visayas and Mindanao, MGen's strong presence in Luzon, and sizeable renewable energy project pipelines of both companies, we are in a better position to serve the growing need for sustainable energy solutions once we move into economic recovery following a successful vaccination roll-out.

In being resilient, reliable, and responsible, we know that we can and we will enrich more lives, and empower greater progress.

MANUEL V. PANGILINAN
Chairman of the Board

FORGE AHEAD



“
AMONG THE INDUSTRIES IN THE COUNTRY, THE ENERGY SECTOR PLAYED A CRITICAL ROLE IN HELPING UPHOLD BOTH PUBLIC HEALTH AND THE ECONOMY IN THIS TRYING TIME. IT WAS VITAL THAT RELIABLE POWER SUPPLY IS AVAILABLE TO KEEP PEOPLE CONNECTED, TO SUPPORT ESSENTIAL SERVICES AND STRENGTHEN PANDEMIC RESPONSE.

”

MESSAGE FROM THE PRESIDENT

In renewing GBP's corporate Vision, Mission and Values (VMV) towards the foundation of sustainability, we aimed to future-proof the Company and become more resilient in managing the challenging landscape of the business to remain a dedicated partner in nation-building. Our sustainability strategies were put to the test in no time for just about a year after we committed to this strategic business evolution, we were beset by the Covid-19 pandemic, a unique crisis that brought the entire world to a halt. Economies shut down, people's health and safety were imperiled, and our ways of life were dramatically altered, some even lasting permanently.

Among the industries in the country, the energy sector played a critical role in helping uphold both public health and the economy in this trying time. It was vital that reliable power supply is available to keep people connected, to support essential services and strengthen pandemic response. Understanding the role of the energy sector in this fight gave us the courage to carry out our duties while managing health risks.

Businesswise, our revenues decreased by 13% even as we experienced slight increase in volume sold. We also saw our net income dip by 15%, with higher general and administrative expenses and lower spot market prices. The average spot market price in April, for instance, dipped to an unprecedented price of Php 1,585 per MWh versus Php 6,705 per MWh during the same period last year –a typically summer peak season.

Despite the challenges and consequences of the public health crisis, our renewed Vision, core values and sustainable strategies allowed us to carry out the bigger purpose of our business.

Adapting to the New Normal. As COVID-19 caught the world off guard, we banked on our existing systems, business continuity plan and dedication towards corporate excellence to swiftly act and smoothly transition to the new normal. Fundamental to our pandemic response was to protect the health of our workforce and keep the workplace safe in order to keep the business going. With the help of our COVID-19 Task Force, proper health protocols were being implemented in accordance with the guidelines of national and local government.

From implementing precautionary plant lockdowns to prevent contamination of the plant premises, to performing some of the maintenance activities in-house in the absence of 3rd party contractors at the height of border restrictions, to using digital platforms that enable remote collaboration, and organizing virtual events to keep employees engaged, we were able to keep business as usual and deliver non-stop power supply to our customers.

FORGE AHEAD

Remaining a partner to our stakeholders.

The fast spread of the pandemic reminded us how interconnected our lives are as human beings. And it was the same interconnectedness that allowed nations around the world in fighting the virus.

Our business ecosystem is no different. Each entity in the ecosystem is interlinked to keep the business running. Our people, suppliers, customers, and communities can affect and be affected by other entities in the economic chain. And so, apart from our people, we looked after the welfare of our suppliers by honoring our obligations in a timely manner, our customers by amortizing power bills into installments without interests and penalties, and our communities by supporting the local government in their pandemic response to maintain a healthy ecosystem and sustain our business operations.

Continuing in the right direction.

In adapting to the new normal, we move forward by shifting our focus towards addressing the 'new' needs of our employees, customers, suppliers and communities, and being more agile and resilient to future crisis. Navigating the uncertainties of the pandemic compelled us to be more innovative, strategic, united and even more compassionate in responding to the needs of our stakeholders.



4,929 GWh of
energy sold



Upheld a
healthy business
ecosystem



Recognized
for business
excellence in
the areas of
compliance,
CSR, people
management
and leadership


MESSAGE FROM THE PRESIDENT

Despite the challenges and hardships in 2020, we take consolation in the recognitions that continue to come our way—PEDC having the highest compliance rating among coal-fired generations as recognized by the Philippine Electricity Market (PEMC) and CEDC ranking 6th in the same category, Silver level accreditation in Investors in People, HR Asia's Most Caring Companies Award, Silver Anvil Award for the Adopt-a-Health Center program, and Asia Corporate Excellence and Sustainability's (ACES) Outstanding Leaders in Asia Award. These serve as our inspiration in continuing our sustainability journey.

RISING ABOVE THE CHALLENGES.

Indeed, our renewed Vision and commitment to sustainability prepared us for these unprecedented times. While profitability took a backseat in 2020, we maintain our strong position to surmount whatever lingering effects the pandemic may have.

With the COVID-19 vaccine rollout gaining traction, we remain bullish about the future. We have every reason to believe that we have built a strong foundation for the Company to weather the challenges and risks that still lay ahead, a foundation shaped by a clear Vision, strengthened by partnerships, and sustained by our commitment to enlighten lives and empower progress.


JAIME T. AZURIN
President





MAIN STORY

THE CHALLENGES OF COVID-19

2020. The year the world woke up to the COVID-19 pandemic. In an instant, everyone's way of life and way of doing business drastically changed. This health crisis became the utmost test for one's resilience, reliability, and responsiveness.

Committed to the greater purpose of its business, Global Business Power (GBP) weathered the storm to provide non-stop services and fulfill its commitment to the nation while protecting the health and safety of its people. Recognizing the interlocked roles of its stakeholders in keeping its operations sustainable, GBP not only looked after its own well-being but also the welfare of the entire business ecosystem in thriving through difficult times.



MAIN STORY

OPERATING IN A PANDEMIC

CARING FOR THE INTERNAL PUBLICS

Employee Safety

At the onset of the public health crisis, GBP quickly activated its Business Continuity Plan to ensure smooth transition to normal operations. Ahead of local governments' announcements of quarantine restrictions, GBP implemented precautionary plant lockdowns for its essential workers to prevent contamination of the plant premises and those on duty to ensure non-stop daily operations. They were housed in the plant facilities with the necessary provisions of personal protective equipment, disinfecting agents, food supply, and vitamins. Support departments, on the other hand, were accorded remote work arrangements.

Each of the operating sites (corporate office and plant sites) created a COVID-19 Task Force dedicated to monitor, assess and facilitate a swift response to the pandemic, in accordance with the Department of Energy COVID-19 Response Protocol and Department of Labor and Employment-Department of Trade and Industry Interim Guidelines on Workplace Prevention and Control of COVID-19.



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Staying connected, digitally

The pandemic has led to the increase in use of digital technologies to follow social distancing protocols. Rise in the use of information systems and networks were observed as employees shifted to new patterns of work. Work-from-home and work-bubbles became the norm. GBP deployed the use of service laptops, installed virtual private networks (VPN) to provide safe digital access to internal networks, and migrated to Microsoft 365 platforms to enable remote collaboration, electronic conferencing, instant messaging, and cloud technology. GBP's overall IT infrastructure and server systems were upgraded to handle the high network traffic from remote access, and to increase security as well.



Although technological advancements eased the transition to remote work arrangement, the lack of physical interaction and activities was one of the things that had to be addressed to keep the employees engaged. GBP focused on digital connectivity to make this possible. Aside from the Microsoft platform, social media platforms like Facebook were utilized to provide regular interaction among employees with daily activities conducted online. Sharing of personal interests, stories, hobbies, skill sets, and lessons learned, among others, were encouraged.

Inspiring, Motivating, Transforming

Attuned to the needs of its employees, GBP also made sure that they continued to learn. The

GBP Institute for Energy (GIE) introduced various online communication platforms, partnered with numerous external training providers, and facilitated in-house online learning activities to ensure continuous effective learning.

Connecting with Management

Despite the new work arrangements, the GBP management continued to make their presence felt by the employees and assured everyone that they were within reach and very much on top of the situation. Weekly assembly for corporate flag ceremonies were continued to be done online. Messages from the President were also released via the quarterly company newsletter. During the week-long online Employee Appreciation

MAIN STORY

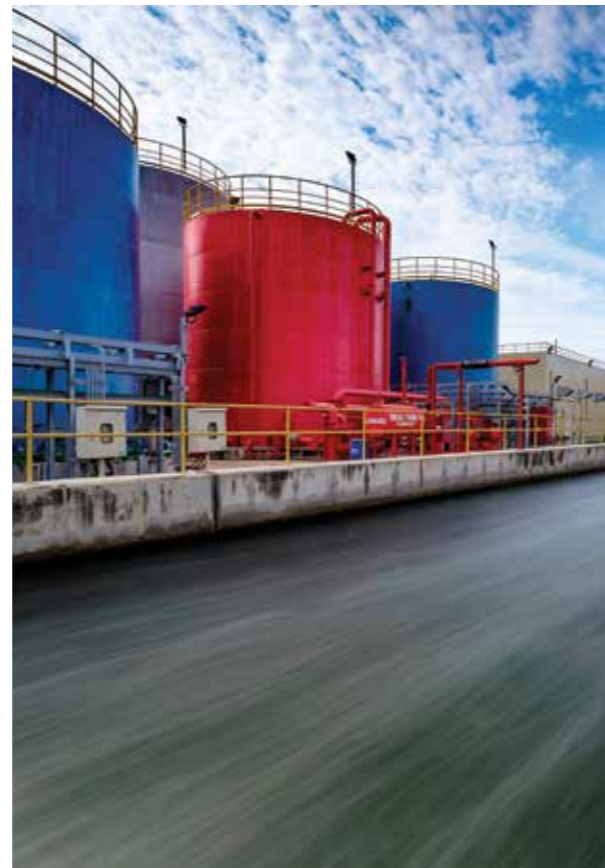
OPERATING IN A PANDEMIC

Week, the GBP management presided over the recognition ceremony for service awardees and lockdown heroes. Also, a 20 to 30-minute Energy Podcast was launched which featured interviews of company executives sharing their views on relatable topics like: Diversity in the Workplace, Facing Adversities, Dealing with Stress, and Road to Greatness. Being able to hear their personal take on these topics not only helped the employees' personal development but also improved their connection with management.

Upkeep of Power Plant Facilities

Running below the minimum generation levels due to low demand may pose damage to critical equipment such as the turbines. To deal with low demand, GBP negotiated for suitable capacities of hourly nominations especially during off-peak periods to ensure that operations meet the plant's minimum stable load.

To keep the power plant facilities in top condition, observance of Preventive Maintenance (PM) is essential to uphold plant reliability and availability. However, performance of PM activities was quite challenging due to movement restrictions and health risks. Through proper planning and by capitalizing on the expertise of its personnel, GBP was able to successfully conduct PM activities in its operating plants during the pandemic. The maintenance teams prioritized high impact work scope, ensured quality at the source, and stepped up to the plate by performing in-house services such as boiler tube replacement and thickness gauging, scaffolding erection, and servicing of major motors and pumps which were previously under third party engagement.



CARING FOR THE EXTERNAL PUBLICS

Customers and Suppliers

Quarantine restrictions have resulted in a shift to household electricity demand as well as contraction in the job market. Many have lost their jobs, temporarily and some even permanently. The government introduced specific measures to alleviate financial burden through deferment of power bill payments, without interests and penalties. Bills were amortized in four (4) equal monthly installments and eventually were added another grace period of at least 30 days for all payments due during the quarantine period. The same payment scheme was extended by generators to distribution utilities and other customers. And so, to stay liquid despite staggered collection, GBP applied budget re-alignments and prudent management of cash flows. Likewise, obligations to suppliers and creditors were dutifully honored to help keep a healthy cash flow in the energy supply chain.

Government/Local Beneficiaries

Global Business Power provided active support to the COVID-19 response of the Local Government Units (LGUs). GBP facilitated immediate remittance of ER 1-94 funds to its host communities to help finance emergency response projects such as the development of molecular laboratories, purchase of personal protective equipment for the frontliners and food support to locally stranded individuals and vulnerable groups among others. The ER 1-94 program stipulates that host communities are entitled to financial benefits of one-centavo for every kilowatt-hour (Php 0.01/kWh) of the total electricity sales of generating companies to finance electrification, livelihood and development projects.



“Global Business Power provided active support to the COVID-19 response of the Local Government Units (LGUs).”

With the Department of Energy's issuance of Department Circular (DC) No. 2020-04-00080, LGUs can now use ER1-94 funds to fight the pandemic, in accordance with the Bayanihan to Heal as One Act.

Apart from ER 1-94 remittances, GBP re-aligned its budget to be able to provide additional support to the LGU. GBP aided in the distribution of food packs, disinfectants, face masks, face shields and financial aid to its host communities. When the communities transitioned to blended learning, GBP provided printers, printing supplies, computer sets and laptops for its host schools and scholars.

MAIN STORY

MOVING FORWARD IN THE NEW NORMAL



While the pandemic posed health, social, and economic difficulties, it also highlighted the best in everyone as it compelled people to be more innovative, strategic, united, and even more compassionate in responding to its demands.

GBP now focuses on the continuous and long-term improvements needed to adapt to the 'new normal' and address the 'new' needs of its employees, customers, suppliers, and other stakeholders. The Company is coming up with employee policies that are both flexible and enabling. It also remains committed to providing its people with continuous learning programs for new skills and new technologies that are applicable in the new normal.

Dedicated to achieving customer satisfaction through delivery of reliable and cost-efficient power supply even during crisis situations such as the pandemic, GBP aims to continually improve its operations and maintenance practices towards plant performance optimization and operating cost reduction.



With the technical expertise of its people, GBP can perform in-house maintenance services such as boiler tube replacement, servicing of major pumps and motors, SCADA maintenance and scaffolding erection, thereby lessening dependence to third-party service providers especially during quarantine restrictions.

Likewise, strategic planning and conduct of extensive maintenance activities that prolong asset life enable GBP to endure longer preventive maintenance intervals and realize savings without sacrificing plant reliability. It is through these practices that GBP can thrive in difficult situations like this pandemic and other future crisis.

AWARDS & RECOGNITIONS

While focused on responding to the challenges of the pandemic, it is a welcoming moment for Global Business Power to be recognized for its operational excellence.

HUMAN RESOURCES

Investors In People, Silver Accreditation

GBP was awarded the coveted Investors in People (IIP) Silver Level Accreditation for its continuing efforts and remarkable policies that develop and empower employees. It is a recognition that the company is strong on people-related practices, as can be gleaned from the engagement and teamwork spirit of the employees. GBP was one of the top ten finalists for the Silver Employer of the Year. IIP is an esteemed standard for people management that accredits organizations who adhere to practices and outcomes under the performance principles of leading, supporting, and improving.

Best Companies To Work For In Asia

GBP was recognized as one of the best companies to work for in Asia by HR Asia for the second year in a row. The company was given this distinction based on a stringent proprietary assessment process covering employee engagement, corporate culture, employer branding, and job satisfaction. GBP was the only awardee in the power generation business.

WE CARE: HR Asia Most Caring Companies Award

This certification is a recognition of the empathy and care demonstrated by GBP to its employees as part of its workplace excellence, especially during this unprecedented time. It is a testament to the Company's "people first" approach that honors its commitments to all its stakeholders.

LEADERSHIP

ACES Awards – Outstanding Leader in Asia

GBP President, Jaime T. Azurin was named as one of the Outstanding Leaders in Asia by the Asia Corporate Excellence and Sustainability (ACES) Awards. This award is presented to inspiring leaders and sustainability advocates across various industries in the region, who lead organizations with high brand value and exhibit an ideal blend of business acumen, innovation, market adaptability, and astuteness.

COMMUNITY RELATIONS

Adopt-a-Health Center Program Silver Anvil Award

GBP won the Silver Anvil Award for its Adopt-A-Health Center Program. The program enhances the capabilities of adopted barangay's health centers to become more responsive to their communities' needs by providing them with basic medical equipment, a quarterly supply of basic medicines, as well as training to develop the skills of barangay health workers.

COMPLIANCE

Philippine Electricity Market Corp (PEMC) Exemplary Compliance

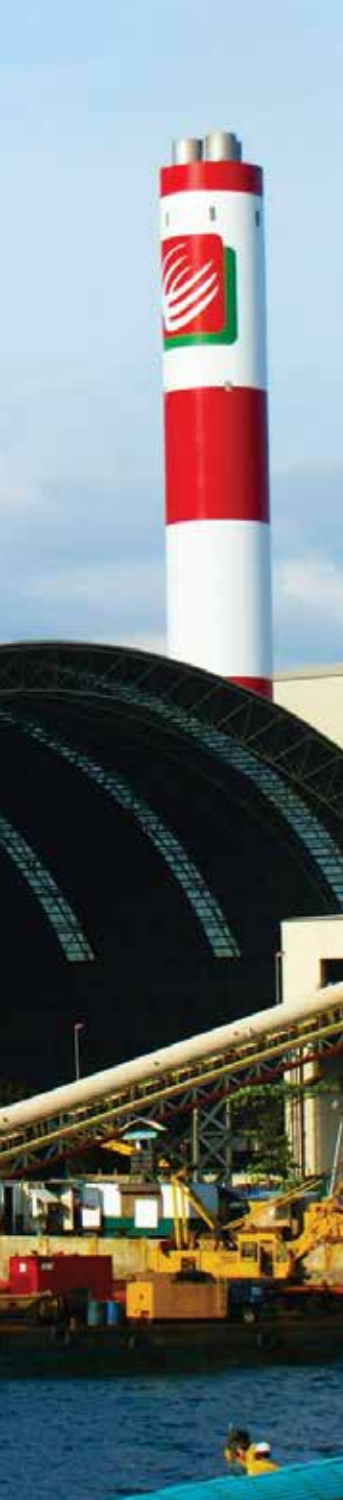
GBP subsidiary, Panay Energy Development Corporation (PEDC), topped the list of coal-fired generators with the highest compliance rating by the Philippine Electricity Market (PEMC) and garnered an outstanding rating of 98.72% and was hailed as the best among its peers for exemplary compliance to the Wholesale Electricity Spot Market (WESM) rules and manuals. Cebu Energy Development Corporation (CEDC) was ranked 6th, garnering an overall rating of 93.32%.



OPERATIONAL HIGHLIGHTS

Fueled by its mission to empower the nation, GBP focused on providing adequate, reliable, and cost-efficient power supply without sacrificing the health and safety of its people. In its path to a future-proof business, and deeply driven by the foundation of sustainability, GBP was able to swiftly implement adjustments to its operations.





OPERATIONAL HIGHLIGHTS

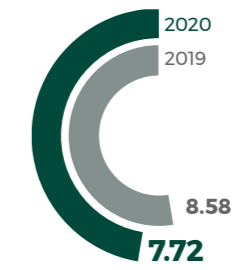


Cebu Energy Development Corporation (CEDC) faced the challenges posed by the pandemic head on through swift adjustments in its operations to ensure delivery of uninterrupted power supply. But just like the rest of the global community, the economic consequences of the pandemic affected the financial performance of CEDC. In 2020, it registered a 10% and 32% decrease in revenues and net income, respectively, despite the same level of electricity sold in 2019. The rise in O&M and administrative expenses, coupled with a slight decrease in energy fees due to lower overall market prices, dwarfed the significantly lower fuel costs and resulted to a 15% decrease in EBITDA and 32% decrease in Net Income. With 52.2% ownership in CEDC, GBP's share in the CEDC net income of Php 1.56B stood at Php 816.34M.

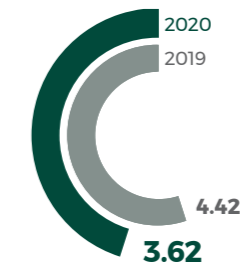
CEDC remained undeterred by the pandemic and continued with the operations and maintenance of its facilities. Through the technical expertise of its people, CEDC managed to perform in-house maintenance activities and lessened dependence to third-party service providers against the backdrop of travel restrictions. Not losing sight on its legacy of safety at the workplace, CEDC logged a milestone of 11 million safe man-hours in 2020.



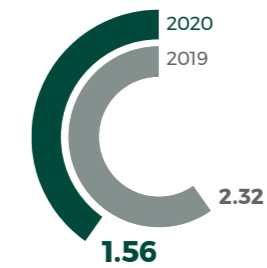
REVENUES (in Billion Php)



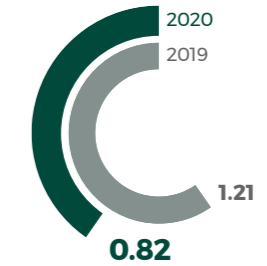
EBITDA (in Billion Php)



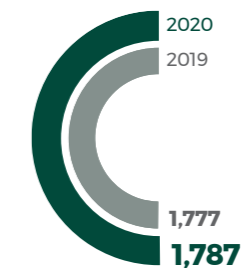
NET INCOME (in Billion Php)



NET INCOME - GBP SHARE (in Billion Php)



TOTAL ELECTRICITY SALES (in GWh)





OPERATIONAL HIGHLIGHTS



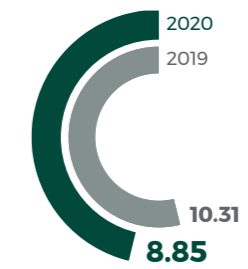
True to its commitment to nation-building, Panay Energy Development Corporation (PEDC) continued to purposefully serve its customers during the pandemic. Despite having significantly lowered fuel costs from the previous year, low demand also brought down market prices and energy fees in 2020. This resulted to a 14% decrease in revenues and 13% decrease in EBITDA given the same level of electricity sold in 2019. Down the line, net income decreased by 32% from Php 1.67B to Php 1.13B. With GBP's 89.3% ownership in PEDC, GBP's share is at Php 1.01B.

Despite the disruptions brought about by the pandemic, PEDC takes pride in being recognized by the Philippine Electricity Market Corporation (PEMC) with the highest compliance rating of 98.72% and the best among all coal-fired plants in the country for exemplary compliance to the Wholesale Electricity Spot Market (WESM) rules and manuals covering the period from June 2019 to June 2020.

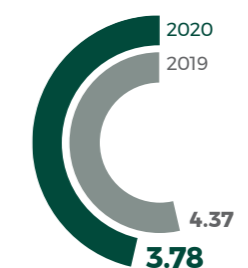
PEDC also continued its legacy of safety in the workplace and logged 7.4 million safety man-hours during the year. As a reflection of a strong health and safety culture, PEDC was recognized for its exemplary health and wellness program during the 3rd ASEAN Red Ribbon for Outstanding Workplace (Arrow) Awards on November 2020.



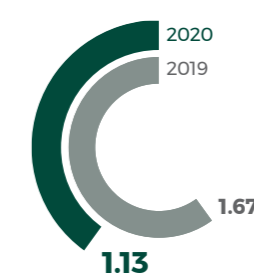
REVENUES (in Billion Php)



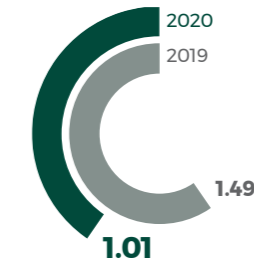
EBITDA (in Billion Php)



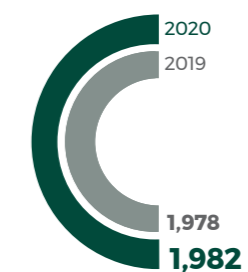
NET INCOME (in Billion Php)



NET INCOME - GBP SHARE (in Billion Php)



TOTAL ELECTRICITY SALES (in GWh)



OPERATIONAL HIGHLIGHTS



Alsons Thermal Energy Corporation (ATEC) ended the year strong with revenues up by 46% from Php 5.41B in 2019 to Php 7.90B in 2020, and net income up by 96% from Php 1.21B to Php 2.38B with the full year operations of the second 118.5 MW-unit of its power generation subsidiary, Sarangani Energy Corporation (SEC). Total electricity sales likewise increased by 44%.

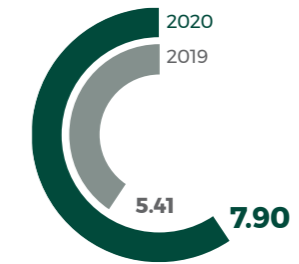
Under an O&M services agreement, GBP deployed 3 key personnel last March 2020 to oversee the operations and maintenance of SEC. By the end of the year, SEC successfully completed its preventive maintenance activities 15 days ahead of schedule and implemented business process improvement programs which translated to an estimated savings of Php 52M.

Serving other key provinces in Mindanao aside from Sarangani Province where the plant is located, SEC plays an important role in fueling more economic activities in the region. Despite delays on the expected implementation of the Mindanao WESM and the MVIP, ATEC remains committed to contribute to the whole region's power requirements.

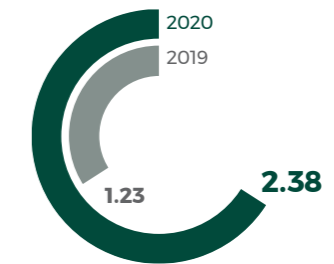


ALSONS THERMAL ENERGY CORPORATION

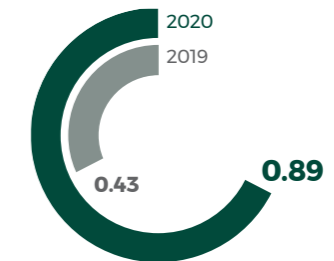
REVENUES (in Billion Php)



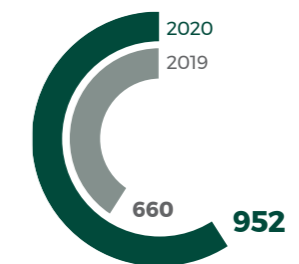
NET INCOME (in Billion Php)



NET INCOME - GBP SHARE (in Billion Php)



TOTAL ELECTRICITY SALES (in GWh)



BOARD OF DIRECTORS



MANUEL V. PANGILINAN
Chairman of the Board



JOSE MA. K. LIM



DAVID J. NICOL*



JAIME T. AZURIN



LANCE Y. GOKONGWEI



JAMES L. GO



RAY C. ESPINOSA



ROGELIO L. SINGSON



PATRICK HENRY C. GO



DR. ALFONSO A. UY



ROCHEL DONATO R. GLORIA

** Resigned effective November 30, 2020*

BOARD OF DIRECTORS

MANUEL V. PANGILINAN, 74

Manuel V. Pangilinan sits at the helm of Metro Pacific Investments Corporation as its Chairman. In 1981, he founded First Pacific in the Philippines— from which MPIC traces its roots— and currently serves as its Managing Director and Chief Executive Officer.

Mr. Pangilinan holds the following positions within the MVP Group President and CEO of Philippine Long Distance Telephone Company and Smart Communications Incorporated. He also serves as Chairman, Vice Chairman or Board Director of Manila Electric Company, Maynilad Water Services Corporation, Mediaquest Incorporated, Associated Broadcasting Corporation, Philex Mining Corporation, Philex Petroleum Corporation, Manila North Tollways Corporation, Landco Pacific Corporation, Medical Doctors Incorporated, Colinas Verdes Hospital Managers Corporation, Davao Doctors Incorporated, Riverside Medical Center Incorporated in Bacolod, East Manila Hospital Managers Corporation, Asian Hospital Incorporated, Central Luzon Doctors' Hospital in Tarlac, De Los Santos Medical Center, Metro Pacific Zamboanga Hospital Corporation, and The Megaclinic Incorporated. In 2012, he was appointed as Vice Chairman of Roxas Holdings Incorporated which owns and operates the largest sugar milling operations in the Philippines.

He is the incumbent Chairman of the Board of Trustees of San Beda College. He is also the Chairman of the Philippine Disaster Resiliency Foundation, Incorporated (PDRF) and the Philippine Business for Social Progress (PBSP). He Co-Chairs the USPhilippines Business Society as well. Being a sports patron, he was named Chairman Emeritus of the Samahang Basketbol ng Pilipinas and Chairman of the Amateur Boxing Association of the Philippines. Mr. Pangilinan finished his Bachelor of Arts in Economics from Ateneo de Manila University where he graduated cum laude. He pursued his Master of Business Administration in the Wharton School of Finance and Commerce as a Procter & Gamble Fellow.

JOSE MA. K. LIM, 69

Jose Ma. K Lim is the incumbent President and Chief Executive Officer of the Metro Pacific Investments Corporation. He joined the MPIC Group (which was then called Metro Pacific Corporation or MPC) in 1995 as Treasury Vice President of the Fort Bonifacio Development Corporation (then a subsidiary of MPC). He was later appointed as its Chief Finance Officer in 2000. In 2001, he assumed more responsibility for the company as he concurrently served as Vice President and Chief Finance Officer of MPC.

Mr. Lim currently acts as a Director in the following MPIC subsidiary and affiliate companies Beacon Electric Asset Holdings Incorporated, Meralco, Metro Pacific Tollways Corporation, MNTC, Tollways Management Corporation, Maynilad, Light Rail Manila Corporation, AF Payments Inc., MetroPacWater Investments Incorporated, Indra Philippines, Medical Doctors Incorporated, Colinas Verdes Hospital Managers Corporation, and East Manila Managers Corporation. He is also the Chairman of Asian Hospital Incorporated, Davao Doctors Hospital (Clinica Hilario) Incorporated, and Riverside Medical Center Incorporated. He is also the President of the Metro Strategic Infrastructure Holdings Incorporated.

He is a founding member of the Treasurer of the Shareholders Association of the Philippines. He is also an active member of the Management Association of the Philippines where he served as Vice-Chair of the Good Governance Committee from 2007 to 2009.

Prior to joining the MPIC Group, he built himself a solid reputation in foreign banking institutions as Vice President of the Equitable Banking Corporation and Director for Investment Banking of the First National Bank of Boston.

For five consecutive years from 2012-2016, he was conferred the Best CEO for Investor Relations by Corporate Governance Asia.

Mr. Lim earned his Bachelor of Arts in Philosophy from Ateneo de Manila University and his Master of Business Administration from the Asian Institute of Management.

JAIME T. AZURIN, 58

Jaime T. Azurin previously served as GBP's Executive Vice President, Business Development Head, and Chief Finance Officer, before becoming President in 2017. He has played a key role in helping expand GBP's production capacity— increasing it to almost sixfold from 185.5MW in 2003 to 1,091MW today.

A former investment banker of First Metro Investment Corporation and Solidbank Corporation, he has extensive experience in raising capital for power, road, and other infrastructure projects. He served as the lead arranger for multi-million power projects for El Paso Energy International Corporation, Luzon Hydro-Power Project, and Ogden Energy, among others.

He holds a Bachelor's Degree in Economics from Ateneo de Manila University, and a Master's Degree Candidacy in Business Administration.

DAVID J. NICOL, 61

David J. Nicol served as an Executive Vice President and the Chief Financial Officer of the Metro Pacific Investments Corporation until November 30, 2020.

Prior to joining the MPIC group, he was with PricewaterhouseCoopers for 10 years. He joined First Pacific in 1991, then moved to its Thai affiliate, Berli Jucker PCL, in 1994 to assume the positions of CFO until 1998 and Group CEO until 2002.

He also held other top positions in various companies in Europe and Asia, including CEO for SIRVA Incorporated, CEO for Pinnacle Regeneration Group, and Director for Reconomy Limited. With such wealth of experience, he brings to the company his expertise in operational improvement, restructuring, mergers and acquisitions, and entering new markets.

Mr. Nicol was voted by the Institutional Investor as the top Conglomerate CFO in Asia in 2012 and as the top CFO in the Philippines in 2016.

RAY C. ESPINOSA, 63

Ray C. Espinosa has been serving as a Director for Metro Pacific Investments Corporation since 2009.

He also holds directorship over the following MPIC subsidiary and affiliate companies: Beacon Electricity Asset Holdings, Inc.; Beacon PowerGen Holdings, Inc.; Global Business Power Corporation; Manila Electric Company; Meralco PowerGen Corporation, Metro Pacific Assets Holdings, Inc.; Metro Pacific Holdings, Inc.; Metro Pacific Resources, Inc.

He also served as President and Chief Executive Officer for ePLDT, Inc.; Vice Chairman of the Board for Philweb Corporation, and President and Chief Executive Officer for ABC Development Corporation (TV5).

After topping the 1982 bar examinations, he became a partner of SyCip Salazar Hernandez & Gaitmatan, then a foreign associate at Covington and Burling in the U.S., and a law lecturer at the Ateneo de Manila School of Law.

Mr. Espinosa is a member of the Integrated Bar of the Philippines, the Philippine Bar Association, and the Inter-Pacific Bar Association. He is also on the Executive Committee of the LAWASIA Energy Section.

He was named as one of the leading capital market lawyers in the Philippines in 1998-1999 and 1999-2000 by The Asia Pacific Legal 500, in 2000 by Euromoney, and in 2001 and 2002 by Asia Law & Practice. He was also named one of the leading project finance lawyers in the Philippines in 1996 and 1999 by Euromoney.

Mr. Espinosa earned his Bachelor of Laws from Ateneo de Manila University and his Master of Laws from The University of Michigan Law School.

BOARD OF DIRECTORS

LANCE Y. GOKONGWEI, 54

Lance Y. Gokongwei, is the President and Chief Executive Officer of JG Summit Holdings, Inc. (JGSHI). He is the Chairman of Robinsons Retail Holdings, Inc., Universal Robina Corporation, Robinsons Land Corporation, JG Summit Petrochemical Corporation, JG Summit Olefins Corporation and Robinsons Bank Corporation. He is also the President and Chief Executive Officer of Cebu Air, Inc. He is a director and Vice Chairman of Manila Electric Company and is a Director of Oriental Petroleum and Minerals Corporation and United Industrial Corporation Limited. He is a trustee and secretary of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Science degree in Finance and a Bachelor of Science degree in Applied Science from the University of Pennsylvania.

JAMES L. GO, 81

James L. Go, is the Chairman of JG Summit Holdings, Inc. (JGSHI) and Cebu Air, Inc. He is the Chairman and Chief Executive Officer of Oriental Petroleum and Minerals Corporation. He is the Chairman Emeritus of Universal Robina Corporation, Robinsons Land Corporation, JG Summit Petrochemical Corporation and JG Summit Olefins Corporation. He is the Vice Chairman of Robinsons Retail Holdings, Inc. and a director of Marina Center Holdings Private Limited, United Industrial Corporation Limited and Hotel Marina City Private Limited. He is also the President and Trustee of the Gokongwei Brothers Foundation, Inc. He has been a director of the PLDT, Inc. (PLDT) since November 3, 2011. He is a member of the Technology Strategy and Risk Committees and Advisor of the Audit Committee of the Board of Directors of PLDT. He was elected a director of Manila Electric Company on December 16, 2013. Mr. James L. Go received his Bachelor of Science Degree and Master of Science Degree in Chemical Engineering from Massachusetts Institute of Technology, USA.

PATRICK HENRY C. GO, 50

Patrick Henry C. Go, has been a director of JGSHI since 2000. He is currently a director and Vice President of Universal Robina Corporation and is the President and Chief Operating Officer of JG Summit Petrochemical Corporation and JG Summit Olefins Corporation. He is also the President and Chief Operating Officer of the URC Packaging (BOPP) Division and the Flexible Packaging Division. In addition, he is a director of Robinsons Land Corporation and Robinsons Bank Corporation. He is a trustee and treasurer of the Gokongwei Brothers Foundation, Inc. He received a Bachelor of Science degree in Management from the Ateneo de Manila University and attended the General Manager Program at Harvard Business School.

ROGELIO L. SINGSON, 72

Rogelio L. Singson is the President and Chief Executive Officer of MERALCO PowerGen Corporation (MGen). He is also the President of Atimonan One Energy, Inc., Atimonan Land Ventures Development Corporation, MPG Mauban LP Corporation and MGEN Renewable Energy, Inc. He is the Chairman of Kalilayan Power, Inc., PowerSource First Bulacan Solar, Inc. and NORTESOL III, Inc. He serves as Director of Calamba Aero Power Corporation, MPG Holdings Phils., Inc., Redondo Peninsula Energy, Inc., Shin Clark Power Holdings, Inc. and St. Raphael Power Generation Corporation. Prior to joining MGen, Mr. Singson served as the President and Chief Executive Officer of Light Rail Manila Corporation. Mr. Singson completed a full six (6)-year term (July 2010 to June 2016) as Secretary of the Department of Public Works and Highways (DPWH) where he led the Good Governance and Anti-Corruption Program, and the implementation of major infrastructure projects nationwide. Before he was appointed DPWH Secretary in 2010, Mr. Singson was President and Chief Executive Officer of Maynilad Water Services for three (3) years and led the successful turnaround of one of the

two major water concessionaires in Metro Manila. Among his previous positions in the private and public sectors were as Senior Vice President for Project Development of Citadel Holdings, Inc., and as Chairman and President of Bases Conversion and Development Authority from 1998 to 2002. In June 2016, Mr. Singson was conferred the Order of Lakandula with the rank of Grand Cross (Bayani). During his stint in government, he received other significant awards and recognitions, including the Outstanding Exemplar in Government Service Award from Bulong Pulungan; Lifetime Distinguished Achievement Award from the UP Alumni Association; and the Outstanding Manilan Award for Public Service. He was also one of the recipients of the Outstanding Filipino Awards for Government/Public Service and was named the Most Distinguished Alumnus by the UP Alumni Engineers in November 2011. He holds a Bachelor of Science degree in Industrial Engineering from the University of the Philippines, Diliman. Mr. Singson is a covenanted member of Ang Ligaya ng Panginoon Community.

DR. ALFONSO A. UY, 82

Dr. Alfonso A. Uy is Chairman of various corporations, namely La Filipina Uy Gongco Corporation, Philippine Foremost Milling Corporation, Capiz Sugar Central Inc., Amigo Agro-Industrial Development Corporation and Mindanao Grain Processing Corporation.

He sits on the board of Steag State Power Inc. and is an independent director of BDO Private Bank. Dr. Uy holds a Bachelor of Science degree in Chemical Engineering, Magna cum laude, from the Central Philippine University and placed second in the Chemical Board Examination in 1966.

ROCHEL DONATO R. GLORIA, 54

Rochel Donato R. Gloria has held key positions in corporate finance, business development, and marketing from various industries, including energy, telecommunications, private equity, property development, and shipping. Before joining GBP, he served as Vice President and Head of Business Development and Corporate Planning for First Philec, Inc. He also served as First Vice President and Head for Energy Trading and Sales for Aboitiz Power Corporation.

He holds a Master's degree in Business Administration from the Ateneo de Manila University Graduate School of Business, as well as Bachelor of Science degree in Industrial Management, minor in Mechanical Engineering, from the De La Salle University.

LEADERSHIP

EXECUTIVE MANAGEMENT



(Clockwise from the top)

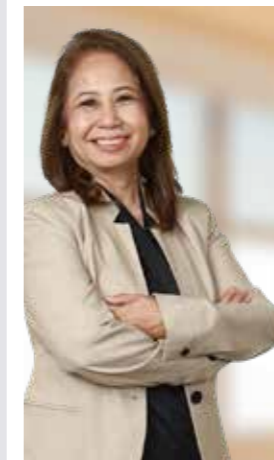
JAIME T. AZURIN
President

DOMINADOR M. CAMU, JR.
Chief Operating Officer

ROCHEL DONATO R. GLORIA
Chief Finance Officer and
Chief Risk Officer



SENIOR MANAGEMENT COMMITTEE



(Top to bottom, 1st column)

DOMINADOR M. CAMU, JR.
Chief Operating Officer

LEAH G. DIAZ
Cebu Site Head

AMANDA ROSELLE A. BENGSON
Corporate Administrative
Services Head and Corporate
Secretary

(Top to bottom, 2nd column)

JAIME T. AZURIN
President

JIAN WEI CHEN
Chief Technical Officer

(Top to bottom, 3rd column)

ROCHEL DONATO R. GLORIA
Chief Finance Officer and
Chief Risk Officer

PETRONILO M. MADRID
Panay Site Head

PHILIP D. DASALLA
Commercial and Sales Head

LEADERSHIP

PANAY OPERATIONS



(Top to bottom)
PETRONILO M. MADRID
 Panay Site Head



APRUDENCIO T. ESPANTA
 PPC & GBHPRI Plant Head



CEBU OPERATIONS

(Top to bottom)
LEAH G. DIAZ
 Cebu Site Head
ERICK C. CABARRUBIAS
 CEDC Plant Head
KARL JOSEF D. BANAG
 Legal Operations Head

SARANGANI OPERATIONS



(Top to bottom)
ANTONIO J. CABALHUG, JR.
 SEC Plant Head
ERIC L. PASIA
 SEC Maintenance Head

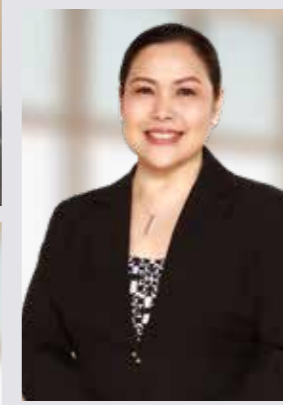
SUPPORT SERVICES



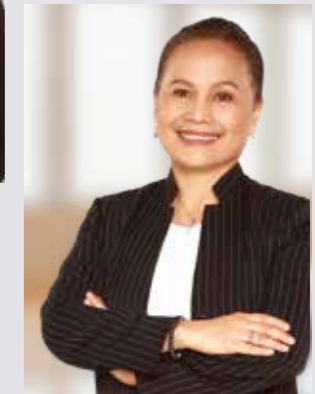
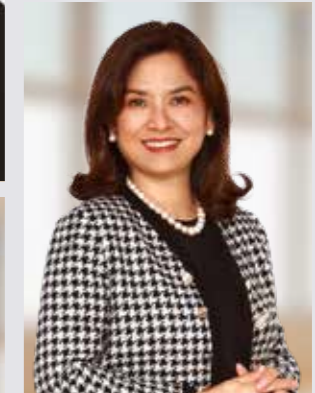
(Top to bottom)
ROCHEL DONATO R. GLORIA
 Chief Finance Officer and Chief Risk Officer
REYMONDA AIDA B. OBRERO
 Controller
MARGARITA OLIVIA M. PAULINO
 Finance Head



(Top to bottom)
PHILIP D. DASALLA
 Commercial and Sales Head
RIENZI O. ZAÑO
 Business Development Head
SHERRIE ANNE S. JIMENEZ
 Revenue and Market Planning Head



(Top to bottom)
IRVING N. CHUA
 Legal & Regulatory Affairs Head
MARIA LUZ L. BLANCO-URIARTE
 Human Resources, Administrative Services, and Learning & Development Head



(Top to bottom)
AMANDA ROSELLE A. BENGSON
 Corporate Administrative Services Head and Corporate Secretary
MARIA ANNA M. AGBUNAG
 Supply Chain Management Head
JOANNA P. JACOSALEM
 Materials Management Head



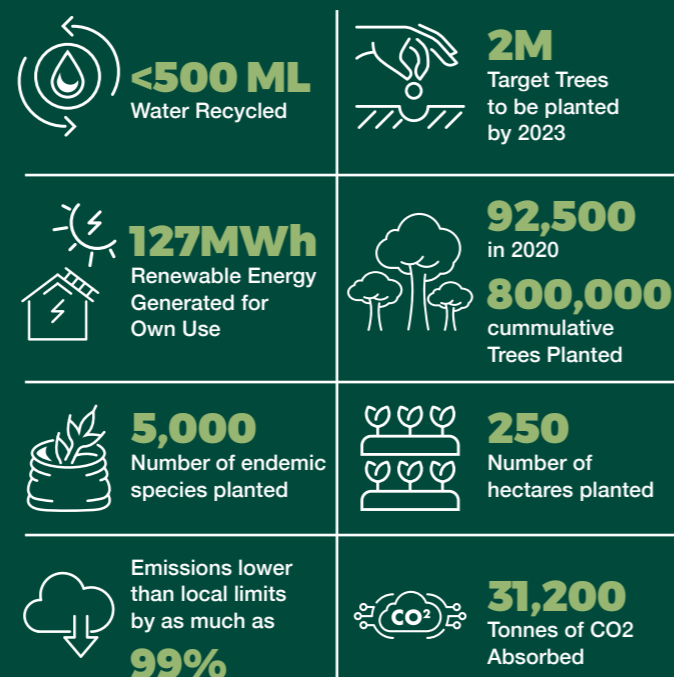
SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

One of GBP's goals is to create a business that is built to last - in doing so, it is in a stronger position to help more communities, provide better care to the environment, and build a better country.

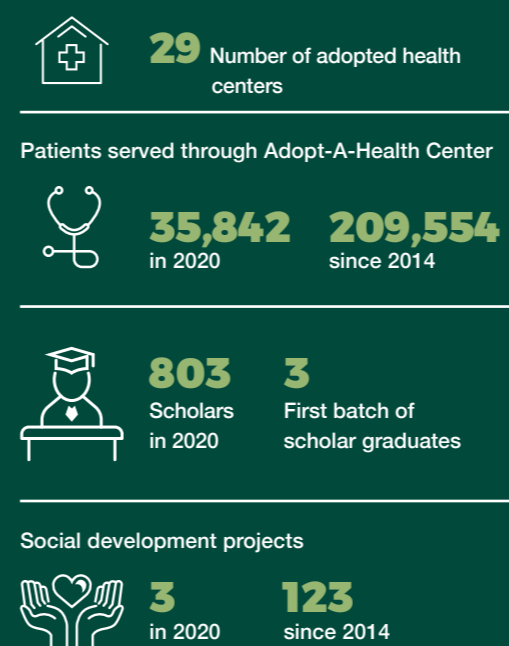
ECONOMIC IMPACTS



ENVIRONMENTAL IMPACTS



SOCIAL IMPACTS



SUSTAINABILITY

NAVIGATING THROUGH THE NEW NORMAL

ECONOMIC

The pandemic evidently took a toll on economies worldwide, causing operational disruptions, financial distress and job loss that particularly affected the most vulnerable members of society. In our own domain, GDP contracted by 9.5% by end of 2020, the sharpest recorded contraction in Philippine history, and the first negative growth since the Asian financial crisis.

GBP, just like the rest of the world, felt the consequences of the pandemic. Despite the challenges, GBP continued to provide employment to 952 employees, sourced jobs for more than 980 third-party workers, and conducted business dealings with more than 1,300 local suppliers. This translated to more than 3,000 households being supported in some ways by GBP's operations. In 2020, GBP spent more than Php 1.4B in salaries and wages, and more than Php 3.6B in local procurement.

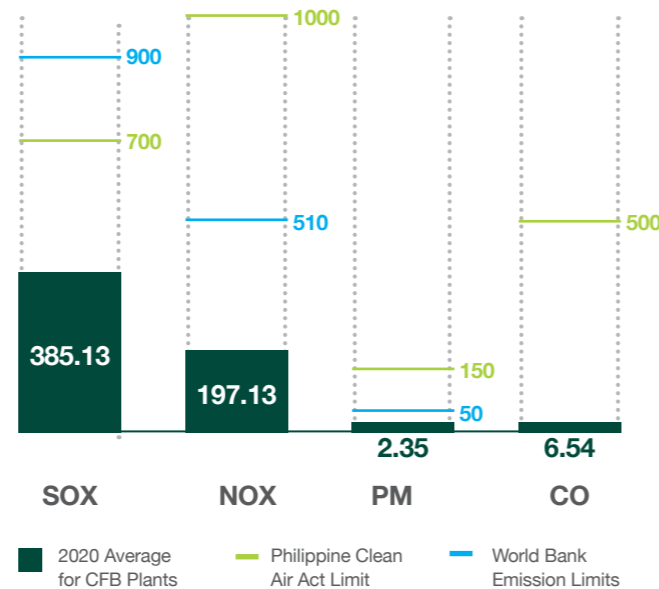
GBP's commitment to nation-building was further evident in its incessant support to the government. In 2020, GBP paid more than Php 2.5B in taxes. Some of which were remitted in advance, understanding that there has been a decline in government revenues due to the slowdown of economic activities. In addition, GBP also processed the immediate remittance of close to Php 50M ER 1-94 fund share of host communities to help combat COVID-19.

GBP's contribution to the reliability and security of the grid also increased in 2020, with the full year realization of the NGCP ASPA contracts entered into in the second half of 2019. ASPA energy delivered grew by more than 20%.

ENVIRONMENTAL

The Circulating Fluidized Bed (CFB) Boiler technology used by GBP removes at least 95% of sulfur through limestone injection, reduces nitrogen to negligible levels through low furnace temperature, and captures 99.9% total solid particulates through an electrostatic precipitator. In 2020, recorded emission levels were way below local limits set by the Philippine Clean Air Act, and international limits set by the World Bank.

CFB Plants Emission



Water is an integral resource for power plant operations and GBP is fully committed to proper water management practices. In 2020, 99.97% of GBP's total water withdrawal is from seawater, of which 99.94% is used for cooling purposes.

GBP places high importance in being able to recycle or lessen the discharge of the process water it uses. This year, GBP was able to recycle, through proper treatment and discharge, 48% of its withdrawn process water (from 32% and 39% in 2018 and 2019 respectively).

GBP is also actively involved in water clean-up drives. It initiated the clean-up of the 6 kilometer Jaro River in Iloilo City, which was used as a garbage disposal area for those living on the riverbanks. To help, GBP spearheaded the installation of garbage traps to collect floating garbage, and partnered with LGUs to launch awareness campaigns instill in the communities the need to preserve the environment. A similar clean-up drive was undertaken in Cebu for a 600-meter long creek. Dredging, mangrove enrichment, installation of trash traps, and regular monitoring of water quality were implemented.

SOCIAL

Recognizing the significant contribution of its greatest asset, its workforce, in realizing the Company Vision, GBP continued to invest in its people in 2020. As the government was finding ways to contain the pandemic, GBP reassured the employees that their safety and well-being are of prime importance to the company. Despite the economic slowdown, GBP's compensation and benefits were not affected, and GBP enjoyed a low turnover rate of 4% in 2020. The Company also spent close to Php 28M to help protect the health of the employees. This covered expenses related to provisions for locked down essential workers, hygiene kits, work site disinfection, and testing kits, among others.

With remote work arrangements part of the 'new normal', GBP transitioned to remote engagement programs as well to maintain a stable and healthy work environment from which the employees may draw strength from. The pandemic affects not just one's physical health – people's mental health

and overall well-being have to be taken care of too. GBP organized daily activities through social media platform Facebook. A safe space created to foster teamwork and camaraderie while practicing core values, holistic activities with a wide range of themes and topics were conducted to encourage everyone to participate. Regular health advisories were also sent to all employees.

GBP believes that by investing in the personal and professional growth of its employees, they become better equipped in helping GBP empower the nation. In addition to the company's technical, regulatory, and leadership training programs, GBP also reinforced its mental health programs, and its business continuity training program. Capitalizing on more training opportunities to conduct online trainings particularly for rank and file employees, GBP's total training hours per employee increased by 14% from 2019.

Belonging to a male-dominated industry, GBP boasts of a culture of inclusivity and gender equality in the workplace. In 2020, males accounted for 79% of the total employees. Despite this, females comprised 42% of its senior management. During the year, the first GBP Women's Day was celebrated. This event highlighted the vital roles women play at work, in the society and within the family. Anchored on the 2020 International Women's Day Theme, "Each for Equal", Global Business Power invited multi-faceted women who have shown great leadership, perseverance, and work-life balance in the power industry to share their experiences.

The active promotion of safety management programs following international standard OHSAS 45001:2018 allows GBP to uphold the safety and health consciousness of each employee without sacrificing the quality of workmanship. In 2020, GBP reached a consolidated 28M safe man-hours.

CORPORATE SOCIAL RESPONSIBILITY

HELPING OUR COMMUNITIES ADJUST TO THE NEW NORMAL

Caring for its local communities has always been a top priority for GBP. This year, the Company especially aimed to become a stabilizing force for them as the pandemic had unsettled a lot of lives.

EDUCATION

The local educational system faced one of the most difficult transitions to the new normal. With the youth's physical interactions posing high risks of transmission, health protocols had to suspend face-to-face classes for all educational institutions. In support of the blended learning system of the Department of Education, GBP donated 34 computer sets and laptops to its adopted schools and scholars, and provided printers, printing supplies, and disinfectants to partner schools.

In the middle of a challenging educational environment, 2020 was a monumental year for GBP's education program. The Company joyfully celebrated the college graduation of its first 3 Mechanical Engineering scholars from Cebu whom it supported since elementary. It was a proud moment for GBP as it was able to realize its Vision when it started out the scholarship program. Offered to deserving students from indigent families in its host communities, GBP believes that investing in the education of the youth is one way to help build the nation.



“GBP also re-aligned its budget to help the local government in boosting its pandemic response.”

HEALTH AND WELL-BEING

With the public health crisis, the value of one's physical health and well-being was highlighted. The health programs of GBP fully remained in place to provide additional healthcare support for the local communities. GBP's 29 adopted health centers were able to serve more than 35,000 patients in 2020. These adopted centers are regularly provided with over-the-counter medicines, sanitation and hygienic products, and other medical items.

To further help its host communities, GBP's Cebu site provided handwashing stations to 7 adopted barangays to promote a culture of proper hand

hygiene to lessen transmission of the virus. The Panay site, in support of the Department of Health's campaign, put up tarpaulins and distributed leaflets to promote awareness and prevent the spread of the virus.

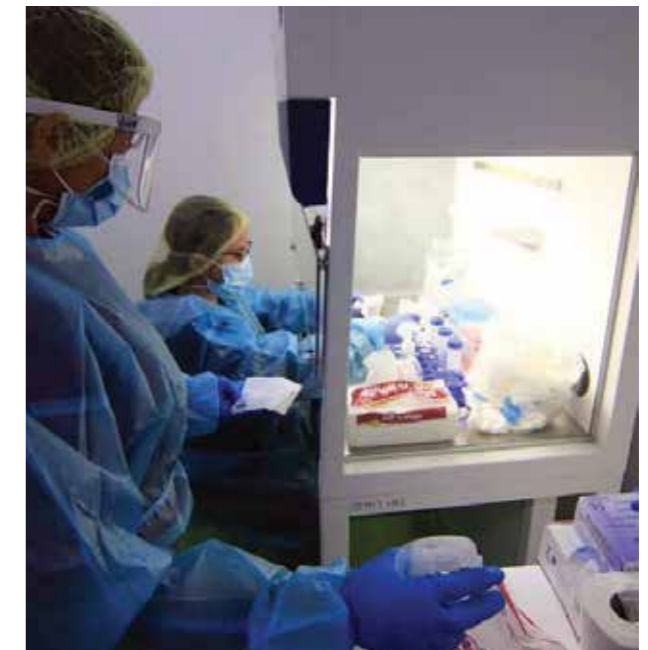
GBP also re-aligned its budget to help the local government in boosting its pandemic response. The Cebu site donated a total of 1,250 gift packs to Toledo City's Social Welfare and Development Office for the benefit of indigent households across the city, as well as queueing machines and steel waiting benches to the Toledo City Health Department and Toledo City Hospital. On the other hand, the Panay site gave almost 4,000 packs of goods to the LGUs of Iloilo and Aklan.

For the most part of the year, quarantine restrictions limited almost all households at home. During the start of the holiday season, the usual Filipino Christmas spirit wasn't very much felt. Aiming to send a message of hope and to uplift the morale of local community, GBP's Panay site, for its part, took the lead in decorating the La Paz Plaza in Iloilo City, adorning it with lights, lanterns, and other Christmas decorations.

ILOILO CITY MOLECULAR LABORATORY

Using Iloilo City and Barangay Incore's ER 1-94 fund share out of PEDC and PPC's electricity sales, the local government of Iloilo City was able to accommodate the development of the Uswag Iloilo City Molecular Laboratory in Molo district, with a total budget of Php 53 million. The laboratory added testing capacity to the City by as much as 600 samples daily, with a turnaround time of 24 hours at most. In supporting the development of the laboratory, residents of Barangay Incore, the plants' host barangay, may avail RT-PCR testing for free.

“Beyond the provision of stable power supply, GBP is committed to helping Iloilo City in its response against COVID-19. We hope that this



molecular laboratory will enable faster release of reliable results and in effect, mitigate the spread of the virus,” shared GBP President Jaime T. Azurin.

The ER 1-94 program stipulates that host communities are entitled to financial benefits of one-centavo for every kilowatt-hour (Php 0.01/kWh) of the total electricity sales of generating companies to finance electrification, livelihood and development projects. Pursuant to the Department of Energy's Department Circular No. 2020-04-0008, ER 1-94 funds can be used to help local government units in their fight against the pandemic.

CORPORATE SOCIAL RESPONSIBILITY



CEBU

- A Immediate remittance of ER 1-94 funds to Toledo City
- B Pioneering graduate scholars
- C Handwashing stations to adopted barangays
- D Printer units and printing supplies to DepEd Toledo City Division
- E Christmas Gift Pack Donations
- F Queuing machines and gang chairs to Toledo City Hospital and Toledo City Health Department
- G Desktop computers to adopted health centers

PANAY

- H Immediate remittance of ER 1-94 funds to Iloilo, Aklan, and Mindoro
- I Printer units and printing supplies to adopted schools
- J Computer donations to Nabas Police Station, adopted schools and scholars
- K Christmas Gift Pack Donations
- L La Paz Plaza Lights and Decorations in December
- M Electrical line rehabilitation project (NG Ingore Elementary School)
- N Sacks of rice, face masks, disinfectants to adopted barangays
- O Barangay Hinactacan Health Center Construction
- P COVID Awareness Streamers in Iloilo City
- Q Uswag Molecular Laboratory (through ER 1-94 funds)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2020	2019
ASSETS		
Current Assets		
Cash and cash equivalents	6,654,600,123	8,316,923,096
Restricted cash and cash equivalents	2,050,924,790	2,630,856,951
Short-term investments	708,755,286	675,201,026
Receivables	5,048,344,907	4,645,284,344
Inventories	2,424,568,746	2,376,591,967
Prepayments and other current assets	1,630,671,696	1,539,178,589
Total Current Assets	18,517,865,548	20,184,035,973
Noncurrent Assets		
Long-term receivables - net of current portion	143,462,260	181,488,555
Financial asset at fair value through other comprehensive income (FVOCI)	1,631,780,542	1,634,111,657
Investment in and advances to associates	5,067,812,022	4,715,986,689
Property, plant and equipment	42,522,061,163	44,989,457,089
Deferred tax assets - net	1,013,097,466	741,011,129
Goodwill	448,753,177	555,815,463
Other noncurrent assets	491,826,343	497,466,080
Total Noncurrent Assets	51,318,792,973	53,315,336,662
TOTAL ASSETS	69,836,658,521	73,499,372,635
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	4,260,210,200	3,920,318,085
Current portion of long-term debt	7,522,057,354	3,553,582,093
Dividends payable	3,147,155,600	3,495,478,850
Income tax payable	347,842,169	361,446,346
Total Current Liabilities	15,277,265,323	11,330,825,374
Noncurrent Liabilities		
Long-term debt - net of current portion	20,565,615,174	28,092,344,885
Deferred tax liabilities - net	88,580,903	108,265,548
Retirement benefit obligation	1,006,350,786	935,445,367
Advances from shareholder	79,715,671	79,715,671
Provisions	1,861,584,429	1,869,737,245
Total Noncurrent Liabilities	23,601,846,963	31,085,508,716
Total Liabilities	38,879,112,286	42,416,334,090
Equity Attributable to Equity Holders of the Parent		
Capital stock - 1 par value		
Authorized - 3,000,000,000 shares		
Issued - 1,924,020,965 shares	1,924,020,965	1,924,020,965
Additional paid-in capital	19,550,064,658	19,550,064,658
Other comprehensive income (loss):		
Unrealized valuation gain on financial asset at FVOCI	1,481,778,152	1,484,109,267
Remeasurement loss on retirement benefit obligation	(204,723,313)	(175,782,847)
Share in remeasurement loss on retirement benefit obligation of an associate	(7,157,530)	-
Retained earnings	2,958,908,533	2,904,323,124
	25,702,891,465	25,686,735,167
Non-controlling Interests	5,254,654,770	5,396,303,378
Total Equity	30,957,546,235	31,083,038,545
TOTAL LIABILITIES AND EQUITY	69,836,658,521	73,499,372,635

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2020	2019
REVENUES		
Net fees	21,006,922,237	24,056,444,694
Coal sales	61,100,611	107,220,754
	21,068,022,848	24,163,665,448
COSTS AND EXPENSES		
Power plant operations and maintenance costs	9,035,326,356	11,388,121,253
Depreciation and amortization	3,019,293,154	2,928,351,472
Personnel costs	1,424,385,775	1,231,038,515
Provision for impairment losses	988,357,437	274,567,456
Regulatory taxes and licenses	927,408,475	938,572,824
Outside services	389,477,234	571,025,369
Insurance	228,505,603	203,486,737
Travel and representation	65,572,479	116,137,154
Professional fees	65,320,992	41,158,103
Rent and utilities	27,350,073	18,011,600
Supplies	15,961,163	13,069,746
Provision for inventory losses	13,525,913	-
Telecommunications and postage	13,059,120	11,443,869
Others	354,635,830	289,536,059
	16,568,179,604	18,024,520,157
FINANCE COSTS - net	2,197,192,532	2,264,437,574
OTHER INCOME - net	1,880,157,866	1,134,739,341
INCOME BEFORE INCOME TAX	4,182,808,578	5,009,447,058
PROVISION FOR INCOME TAX		
Current	1,370,743,244	1,201,804,570
Deferred	(272,638,272)	(99,192,331)
	1,098,104,972	1,102,612,239
NET INCOME	3,084,703,606	3,906,834,819
OTHER COMPREHENSIVE LOSS		
<i>Other comprehensive loss not to be reclassified to profit or loss in subsequent periods:</i>		
Remeasurement loss on retirement benefits, net of deferred tax	(38,171,271)	(259,088,742)
Share in remeasurement loss on retirement benefits of an associate, net of deferred tax	(7,157,530)	-
Changes in fair value of financial asset at FVOCI	(2,331,115)	(237,773,736)
	(47,659,916)	(496,862,478)
TOTAL COMPREHENSIVE INCOME	3,037,043,690	3,409,972,341
NET INCOME ATTRIBUTABLE TO:		
Equity holders of the parent	2,254,585,409	2,648,413,362
Non-controlling interests	830,118,197	1,258,421,457
	3,084,703,606	3,906,834,819
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Equity holders of the parent	2,216,156,298	2,185,344,267
Non-controlling interests	820,887,392	1,224,628,074
	3,037,043,690	3,409,972,341

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2020 and 2019

	Equity Attributable to Equity Holders of the Parent						Other Comprehensive Income (Loss)		
	Capital Stock	Additional Paid-in Capital	Unrealized Valuation Gain on Financial Asset at FVOCI	Remeasurement Gain (Loss) on Retirement Obligation	Share in remeasurement loss on retirement benefit obligation of an associate	Retained Earnings	Total	Non-controlling Interests	Total
Balances at January 1, 2019	1,924,020,965	19,550,064,658	1,721,883,003	49,512,512		2,755,909,762	26,001,390,900	5,184,356,304	31,185,747,204
Dividends declared						(2,500,000,000)	(2,500,000,000)	(1,012,681,000)	(3,512,681,000)
Net income						2,648,413,362	2,648,413,362	1,258,421,457	3,906,834,819
Other comprehensive loss			(237,773,736)	(225,295,359)			(463,069,095)	(33,793,383)	(496,862,478)
Total comprehensive income (loss)			(237,773,736)	(225,295,359)		2,648,413,362	2,185,344,267	1,224,628,074	3,409,972,341
Balances at December 31, 2019	1,924,020,965	19,550,064,658	1,484,109,267	(175,782,847)		2,904,323,124	25,686,735,167	5,396,303,378	31,083,038,545
Dividends declared						(2,200,000,000)	(2,200,000,000)	(962,536,000)	(3,162,536,000)
Net income						2,254,585,409	2,254,585,409	830,118,197	3,084,703,606
Other comprehensive loss			(2,331,115)	(28,940,466)	(7,157,530)		(38,429,111)	(9,230,805)	(47,659,916)
Total comprehensive income (loss)			(2,331,115)	(28,940,466)	(7,157,530)	2,254,585,409	2,216,156,298	820,887,392	3,037,043,690
Balances at December 31, 2020	1,924,020,965	19,550,064,658	1,481,778,152	(204,723,313)	(7,157,530)	2,958,908,533	25,702,891,465	5,254,654,770	30,957,546,235

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