



June 22, 2021

via PSE EDGE

PHILIPPINE STOCK EXCHANGE, INC.

PSE Tower, 28th Street cor. 5th Avenue,
Bonifacio Global City, Taguig City

ATTENTION : **MS. JANET A. ENCARNACION**
Head, Disclosure Department

via electronic mail

PHILIPPINE DEALING & EXCHANGE CORP.

Market Regulatory Services Group
29th Floor BDO Equitable Tower
8751 Paseo de Roxas, Makati City 1226

ATTENTION : **ATTY. MARIE ROSE M. MAGALLEN-LIRIO**
Head – Issuer Compliance and Disclosures Department

Gentlemen:

Please see attached Press Release.

Kindly acknowledge receipt hereof.

Thank you.

Very truly yours,

ABOITIZ POWER CORPORATION

By:

A handwritten signature in blue ink, appearing to read "Mailene", enclosed in a light blue rectangular box.

MAILENE M. DE LA TORRE

Assistant Corporate Secretary

PRESS RELEASE
22 June 2021

Bakun hydro plants receive cease and desist order from NCIP-CAR

The National Commission on Indigenous Peoples in the Cordillera Administrative Region (NCIP-CAR) issued a cease and desist order (CDO) to Hedcor's three run-of-river hydropower plants in Bakun, Benguet on June 22, 2021.

The issuance of the CDO was due to alleged irregularities regarding the Free Prior Informed Consent-Memorandum of Agreement (FPIC-MOA) between Hedcor and the Bakun Indigenous Tribes Organization (BITO), signed on October 15, 2019.

"We believe that we have been compliant with all the requirements during the course of the FPIC application process, and have been waiting for the issuance of the Certificate Precondition (CP) since the FPIC-MOA was signed," said Hedcor's Vice President for Corporate Services Noreen Vicencio.

NCIP-CAR has ordered the company to cease operations of the Lower Labay Hydro, FLS Hydro, and Lon-oy Hydro five (5) days after receipt of the CDO.

Hedcor is saddened by the NCIP-CAR's decision to shut down its Bakun operations despite all efforts to come to a dialogue with BITO and the NCIP.

"The CDO will not just affect Hedcor, but also the customers and communities we serve. At this time of a red alert situation in the Luzon grid, the continued operation of our plants is very crucial," added Vicencio.

In spite of the issuance of the CDO, Hedcor will continue to actively reach out to the community for a dialogue or the customary "tongtongan" between the company and the Bakun IPs, with the guidance of NCIP.

The company looks forward to continuing to provide the benefits that the Bakun community is currently receiving from the generation of the plants. Non-operation of the Bakun plants, however, means that the community shares and ER 1-94 funds will neither accrue nor accumulate. ##

About AboitizPower

AboitizPower is the holding company for the Aboitiz Group's investments in power generation, distribution, and retail electricity services. It advances business and communities by providing reliable and ample power supply at a reasonable and competitive price, and with the least adverse effects on the environment and host communities.

The company is one of the largest power producers in the Philippines with a balanced portfolio of assets located across the country. It is a major producer of Cleanergy, its brand for clean and renewable energy with several

hydroelectric, geothermal, and solar power generation facilities. It also has thermal power plants in its generation portfolio to support the baseload and peak energy demands of the country.

The company also owns distribution utilities that operate in high-growth areas in Luzon, Visayas, and Mindanao, including the second and third largest private utilities in the country.

Currently, AboitizPower, together with its partners, is the Philippines' largest owner and operator of renewable energy based on installed capacity. In the next 10 years, the company will significantly expand its Cleanergy portfolio, in support of the government's efforts to promote renewable energy in the country and as the company's contribution to the global renewable energy targets. AboitizPower is aiming for an almost 50:50 Cleanergy and thermal capacity mix by 2030.

For further queries on this Press Release, please contact:

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