



February 10, 2023

via PSE EDGE

PHILIPPINE STOCK EXCHANGE, INC.
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ATTENTION : **MS. ALEXANDRA D. TOM WONG**
Officer-in-Charge, Disclosure Department

via electronic mail

PHILIPPINE DEALING & EXCHANGE CORP.
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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 M. de la Torre".

MAILENE M. DE LA TORRE
Assistant Corporate Secretary

PRESS RELEASE

10 February 2023

PBBM supports AboitizPower and JERA push for greener fuels in the Philippines



PUBLIC-PRIVATE PARTNERSHIPS IN ACTION. It's synergy in action as the Philippine government is working closely with the private sectors to commence a joint study on ammonia co-firing for the decarbonization for greener fuels. In photo, (seated from left) Senator Mark Villar, House Speaker Martin Romualdez, Former President Gloria Macapagal-Arroyo, Philippine President Ferdinand R. Marcos Jr., Department of Trade and Industry Secretary Alfredo Pascual, Special Assistant to the President Antonio Lagdameo Jr., together with AboitizPower Chairman Sabin Aboitiz and JERA President Satoshi Onoda (standing).

Tokyo, Japan — On Friday, February 10, Aboitiz Power Corporation (AboitizPower), the holding company of power-related investments of the Aboitiz Group, signed a memorandum of

understanding (MOU) with JERA Co., Inc. (JERA), Japan's largest power generation company, to jointly assess the potential for greener fuels. The MOU signing was done in the presence of President Ferdinand "Bongbong" R. Marcos Jr. together with key officials from the Philippine Government.

Under the MOU, AboitizPower and JERA commit to collaborative efforts in assessing the feasibility of ammonia co-fired power generation and further development of the ammonia and hydrogen value chains in the Philippines. This will support the decarbonization efforts of AboitizPower and the Philippines, with long-lasting effects that will benefit the entire world.

The MOU was signed by AboitizPower Chairman Sabin Aboitiz and JERA President Satoshi Onoda.

Together with its partners, AboitizPower is the Philippines' largest owner and operator of renewable energy (RE) based on installed capacity. Through this recent undertaking, AboitizPower continues to lead the country's transition to a sustainable future with its commitment to the research and generation of renewable energy. Its impact will be felt beyond energy stability and emission reduction, as the collaboration brings about the potential of developing the Philippines as a hub and leader in the region for greener fuels.

"By joining forces in the pursuit of greener fuels, our two companies are not only advancing the cause of sustainability, but also paving the way for a cleaner and more vibrant future. Ammonia offers a compelling solution for decarbonizing the power sector, and by looking into it, we are taking a step towards developing the infrastructure needed to support the ammonia and hydrogen value chains," said AboitizPower Chairman Sabin Aboitiz.

JERA operates in more than 10 countries with a total portfolio of 80 gigawatts (GW), achieved through its expertise in RE and zero-emission thermal power generation using ammonia and hydrogen. This recent MOU leverages JERA's wealth of knowledge and experience to effectively fuel the decarbonization and sustainability efforts of AboitizPower and the Philippines. This is in line with JERA's mission to provide cutting-edge solutions to the world's energy issues and its vision of being a global leader in LNG and renewables to spark the transition to a clean energy economy.

Around the world, there have been increasing developments in the use of large-scale hydrogen production projects for renewable energy and natural gas. Similar to hydrogen, ammonia is an alternative fuel that does not emit any carbon dioxide when it is burned. As it is easier to handle than liquified hydrogen, it is expected to be used as a hydrogen energy carrier. Through research

and development between AboitizPower and JERA, there may be a significant reduction in costs in clean power generation by promoting industrial utilization and building a large-scale value chain.

“JERA is focused on providing cutting-edge solutions to the world’s energy issues and strengthening the value chains for greener fuels such as ammonia and hydrogen. Through this collaboration, we will support Aboitiz’s power decarbonization efforts while also considering additional opportunities for advancing technology development in the Philippines. This MOU allows JERA to leverage its experience and capabilities to support both Aboitiz power and the Philippines to reach their emissions targets. We are going to share the Realization of a Low-Carbon Society as a Global Leader Laying the Foundation for the Future of Energy,” said JERA President Satoshi Onoda.

If the technology is applied to existing coal-fired power plants, where appropriate, carbon dioxide emissions may be reduced by up to 50 percent. There will also be a significant economic impact on the Philippine economy with the introduction of these technologies, from the construction of import terminals, storage facilities, power station retrofits, and the like.

As the Aboitiz Group undergoes its Great Transformation to become the Philippines’ first Techglomerate, it is investing in innovation and technology aligned with its sustainability vision.

JERA has been a strategic partner of AboitizPower since 2021, when the Japanese firm fully acquired a 27 percent stake in AboitizPower (which included a 1.99% stake from the Aboitiz family’s privately held parent company, Aboitiz & Company), unlocking international capabilities and expertise. Their partnership is focused on the exploration of new-generation technologies, helping AboitizPower achieve its 10-year renewable energy expansion to increase its capacity by 3,700 megawatts (MW) of renewable energy by 2030.

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About AboitizPower

AboitizPower is the holding company for the Aboitiz Group’s investments in power generation, distribution, and retail electricity services. It advances businesses 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 across the country. It is a major producer of Cleanergy, the company's clean and renewable energy brand, with several hydroelectric, geothermal, and solar power generation facilities. Its generation portfolio also has thermal power plants to support the country's baseload and peak energy demands.

The company also owns high-growth Luzon, Visayas, and Mindanao distribution utilities, including the country's second and third-largest private electricity distributors.

AboitizPower, together with its partners, is the Philippines' largest owner and operator of renewable energy based on installed capacity. In the next ten years, the company will significantly expand its Cleanergy portfolio, supporting the government's efforts to promote renewable energy in the country.

AboitizPower will build an additional 3,700 MW of renewable energy, growing its existing Cleanergy capacity threefold by 2030.

For further queries on this Press Release, please contact:

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