



## SMC Global Power Holdings and Fluence's First Battery Project of 470 MW Portfolio Begins Commercial Operation in the Philippines

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*"Next generation" energy storage project will be first in Philippines dispatchable by grid operator, regulating frequency & voltage for greater stability in Negros Island in Visayas*

**MANILA, PHILIPPINES - January 27, 2022** – Fluence (Nasdaq: FLNC), a leading energy storage technology and digital applications provider enabling the global clean energy transition, announced today that the first 20-megawatt (MW) / 20-megawatt hour (MWh) battery-based energy storage system in the [470 MW / 470 MWh portfolio the company is deploying for SMC Global Power Holdings Corp. \(SMCGPH\)](#) has entered commercial service. The project sited in Negros Occidental is only the second grid-scale battery project to serve the Philippines electricity network, following a 10 MW / 10 MWh system sited at the Masinloc Power Plant in Zambales, also supplied by Fluence's team in 2016.

The Kabankalan system is the first operational energy storage asset on the Visayas regional grid, which has the largest amount of solar PV generation in the Philippines. In addition, the system is the first such asset in the Philippines to be directly controlled by the National Grid Corporation of the Philippines through Automatic Generation Control (AGC) to provide critical grid stability services known as ancillary services, including managing frequency and voltage, and supplying reactive power.

The Kabankalan system and its predecessor battery-based energy storage system in Masinloc provide ancillary services with faster speed of response and accuracy than thermal ancillary service providers – such as hydropower, diesel, or natural gas generation – as proven during NGCP's testing and accreditation process.

Flexible, fast-responding resources like large-scale battery storage systems are critical for ensuring the stability of regional electricity grids across the Philippines. In the event of generating assets or transmission or distribution lines going offline as occurred in Cebu during August of 2021, fast-responding battery assets can be dispatched by their operators – or in the case of Kabankalan, by the grid operator directly – to stabilize the grid and help prevent widespread outages.

The Kabankalan project was successfully delivered on time despite a range of challenges stemming from the COVID-19 pandemic, including supply chain delays, worker travel restrictions and coordinating construction amid complex site restrictions. To protect essential workers at Kabankalan and subsequent project sites, Fluence and its contractors enacted a range of additional safety protocols, including supplying additional personal protective equipment, decontamination of equipment arriving on site, an increased focus on hygiene, and social distancing.

With this record-setting deployment, SMCGPH is strategically siting energy storage projects across the Philippines' power network to make it stronger and more resilient, preparing the national grid to accommodate higher levels of renewable energy, and taking the Philippines into the leadership position in clean energy deployments in Southeast Asia.

"Fluence is proud to help SMCGPH reach this milestone and support the Visayas network with the Kabankalan project," said Fluence president for Asia Pacific Jan Teichmann. "Each new battery asset we and SMCGPH bring online strengthens the Philippine grid, adding flexibility in the right places and with the right capabilities to support the nation's energy transition."

SMCGPH's battery-based energy storage portfolio remains the largest such procurement to date in Southeast Asia, aimed at reinforcing key areas of the Philippine electricity grid to facilitate greater adoption of renewable resources nationally. Fluence will continue deploying additional energy storage systems for SMCGPH's portfolio of projects across the Philippines through July of 2022, with additional systems targeted for commissioning and testing within early 2022.

### About Fluence

Fluence (Nasdaq: FLNC) is a global market leader in energy storage products and services and digital applications for renewables and storage. As of September 30, 2021, the company has more than 3.6 GW of energy storage deployed or contracted in 30 markets globally, and more than 4.7 GW of wind, solar, and storage assets optimized or contracted in Australia and California. Through our products, services, and AI-enabled Fluence IQ platform, Fluence is helping customers around the world drive more resilient electric grids and a more sustainable future. For more information about Fluence, please visit [fluenceenergy.com](https://fluenceenergy.com).

### Forward-Looking Statements

The information in this press release includes a "forward-looking statement" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of present or historical fact included in this press release are forward-looking statements, including, without limitation, expected timing for the deployment, commissioning and testing of the rest of the 470 MW portfolio.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside Fluence's control and are difficult to predict. Factors that may cause such differences in expected results include but are not limited to the following: COVID-19 or extreme weather-related delays in commissioning, testing and commercial operation of rest of the 470 MW SMC's portfolio. Fluence cautions that the foregoing list of factors is not exclusive.

Except as otherwise required by applicable law, Fluence disclaims any duty to update any forward-looking statements contained in this press release, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this press release. Should underlying assumptions prove incorrect, actual results and projections could differentiate materially from those expressed in any forward-looking statements.

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