



A LEAP FORWARD

2024 SUSTAINABILITY REPORT





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About the Cover: A Leap Forward

Our sustainability journey is dynamic and ever evolving, shaped by global challenges such as climate change, resource scarcity, and shifting market expectations. While uncertainties lie ahead, our purpose remains clear: to be a reliable partner in driving responsible and inclusive growth.

This journey requires more than merely minimizing our impact; it challenges us to lead by example as we embed sustainability into our strategy and operations and set a higher standard for responsible business. We embrace continuous adaptation, strategic decision-making, and collaborative solutions to create meaningful change. Taking a leap forward is going beyond compliance—it means accelerating the transition to a circular economy, improving resource efficiency, and forging strong partnerships that amplify progress. With a clear vision and a bold approach, we reaffirm our commitment to shaping a sustainable future.

The use of abstract elements in our cover is a graphical representation of Petron's values and reflects our move to go beyond what we are accustomed to. The arrow symbolizes positive, upward or outward movement and a firm sense of direction. Relating to our sustainability efforts, the arrow blooms into geometric trees to show our relentless movement—upwards, branching out, and continuously adapting—as we deepen our roots to strengthen the foundation of our commitment to uplift our company, our customers, our communities, and our country.



About the Report GRI 2-2

Over the years, we have strengthened our commitment to sustainability, and our progress is now more measurable than ever. Our 2024 Sustainability Report highlights our non-financial performance from January 1 to December 31, 2024, showcasing how our initiatives create tangible environmental, social, and economic impact.

This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards and aligns with GRI 11: Oil and Gas Sector 2021, the United Nations Sustainable Development Goals (UN SDGs), and the Philippine Development Plan (PDP) 2023-2028. Additionally, it complies with the Sustainability Reporting Guidelines of the Philippine Securities and Exchange Commission (SEC), particularly Memorandum Circular No. 4, Series of 2019.

Our report covers our operations in the Philippines, encompassing the following facilities: our corporate offices in Mandaluyong, Pasig, and Pandacan, the Petron Bataan Refinery (PBR or Refinery) and the Polypropylene (PP) Plant, and 30 terminals and sales offices nationwide, 105 service stations, and our corporate social responsibility (CSR) arm, Petron Foundation, Inc (Petron Foundation or PFI).

For consistency, we use the terms "Petron," "we," "our Company," and "our business" to refer to Petron Corporation throughout this report.

How to Read the Report

This report highlights our proactive efforts in sustainability, showcasing measurable progress, innovative strategies, and long-term commitments. We provide insights into how we manage environmental impact, empower employees, strengthen stakeholder partnerships, and contribute to economic and social development.

Beyond numbers, we illustrate the strategic drivers behind our performance—how our governance ensures accountability, how our sustainability strategy fosters long-term growth, and how our risk management approach helps us navigate challenges and seize opportunities. By presenting both data and context, we aim to demonstrate our commitment to sustainability and our vision for a resilient and responsible future.

Petron Corporation is the sole oil refining and marketing company in the Philippines, playing a key role in fueling the nation's economy and serving as a major player in Malaysia. With a combined refining capacity of 268,000 barrels per day, we produce a full range of high-quality fuels and petrochemicals that power industries, businesses, and everyday lives. In the Philippines alone, we supply approximately 40% of the country's total fuel needs.

Since 2010, we have been a subsidiary of San Miguel Corporation (SMC), one of the Philippines' most diversified and dynamic conglomerates. Our headquarters is located at the SMC Head Office Complex in Mandaluyong City. Petron's shares are listed on the Philippine Stock Exchange (PSE). Moreover, we operate internationally through our subsidiaries in Malaysia which include Petron Fuel International Sdn. Bhd., Petron Oil (M) Sdn. Bhd., and Petron Malaysia Refining & Marketing Bhd (PMRMB). PMRMB is publicly listed on the Main Board of Bursa Malaysia.

As a proudly homegrown Filipino company, we are dedicated to ensuring energy security, protecting the environment, and uplifting the communities we serve. Every step we take is driven by a commitment to sustainability, ensuring that we fuel the aspirations of future generations.

Guided by our vision and purpose, we focus on our priorities across environmental, social, and governance (ESG) aspects that drive growth for our Company and our stakeholders.

Our Priorities	Our Vision and Purpose	Our Stakeholders	UN Sustainable Development Goals
<ul style="list-style-type: none"> Environmental Stewardship Social Well-being Good Governance 	<p>Our Vision As the Philippines' leading oil company, we envision an energy-secure and prosperous nation where everyone's journey is fueled by opportunities for meaningful experiences and sustainable success.</p> <p>Our Purpose We drive the nation's development and uplift communities towards a sustainable future, by providing innovative fuel and mobility solutions.</p>	<ul style="list-style-type: none"> Shareholders Government and Regulators Industry/business groups Consumers Employees Investors and financial institutions Local/host communities and people's organizations Academe Suppliers, contractors, and third-party service providers Civil society organizations (CSO) and non-governmental organizations (NGOs) Media 	<p>Through our 20 material topics, we contribute to the 17 UN Sustainable Development Goals, given its interconnected nature.</p>

Towards this end, we commit to:

- Leverage on our refining, distribution, and retail assets to achieve competitive advantage and long-term viability;
- Reliably provide superior products and services that meet customers' needs;
- Ensure excellent customer experience enabled by technology and adapted to local communities;
- Develop and strengthen relationships with our partners towards shared growth and success;
- Reduce our impact on the environment, and advocate for responsible supply chain; and
- Create an inclusive, nurturing, and purposeful work environment.

Our Business Areas

Our business operations are strategically positioned across key regions in the Philippines, ensuring a reliable and accessible fuel supply for the nation. Our commitment to customers begins at the refining stage and extends through the delivery of high-quality products. At every step, we integrate sustainability, starting with the careful planning and contracting of crude and product deliveries, all the

way to our Refinery, where crude oil is transformed into a full range of petroleum products, industrial fuels, and petrochemical feedstock.

From our Refinery in Bataan, we transport our products primarily by sea to nearly 30 terminals across the archipelago. This extensive distribution network powers essential industries, including power generation, manufacturing, mining,

and agribusiness. Petron is also a key fuel supplier for national government agencies, including the Armed Forces of the Philippines, the Philippine National Police, and the Philippine Coast Guard (PCG). Additionally, we provide jet fuel to both international and domestic carriers at major airports, ensuring seamless air travel.



1 Crude oil / import products

Petron Bataan Refinery converts crude oil into various petroleum products and petrochemical feedstocks.



2 Primary distribution

From the Refinery, Petron's products are delivered via vessels to 32 terminals across the country for storage, then sent to Petron service stations and industrial customers via tank trucks.



3 Terminals



4 Tank trucks

5 Secondary distribution



Service stations



LPG outlets



Industrial facilities



Airports

With approximately 1,800 retail service stations nationwide, we operate the country's largest fuel retail network, serving everyday motorists and the public transport sector. Our stations are more than just fueling stops—they are trusted hubs for mobility, convenience, and quality service.

Beyond the Philippines, we continue to strengthen our presence in Malaysia through an integrated refining, distribution, and marketing network. Our operations include an 88,000-barrel-per-day refinery in Port Dickson, the Lumut PME Plant, 10 terminals (including four affiliate terminals), and a growing retail network of more than 770 service stations.

4 Import Facilities

SLHBTC, SL PanAsia, SL PHIVIDEC, Subic

20 Bulk Terminals

Bacolod, Batangas, Bawing, Davao, Iligan, Iloilo, Isabel, Jimenez, Limay, Mandaue, Nasipit, Navotas, Ormoc, Palawan, Poro, Rosario, Roxas, Tacloban, Tagoloan, Zamboanga

7 Sales Offices

Amlan, Calapan, Masbate, Odiongan, Pasacao, San Jose, Tagbilaran

4 Dedicated LPG Facilities

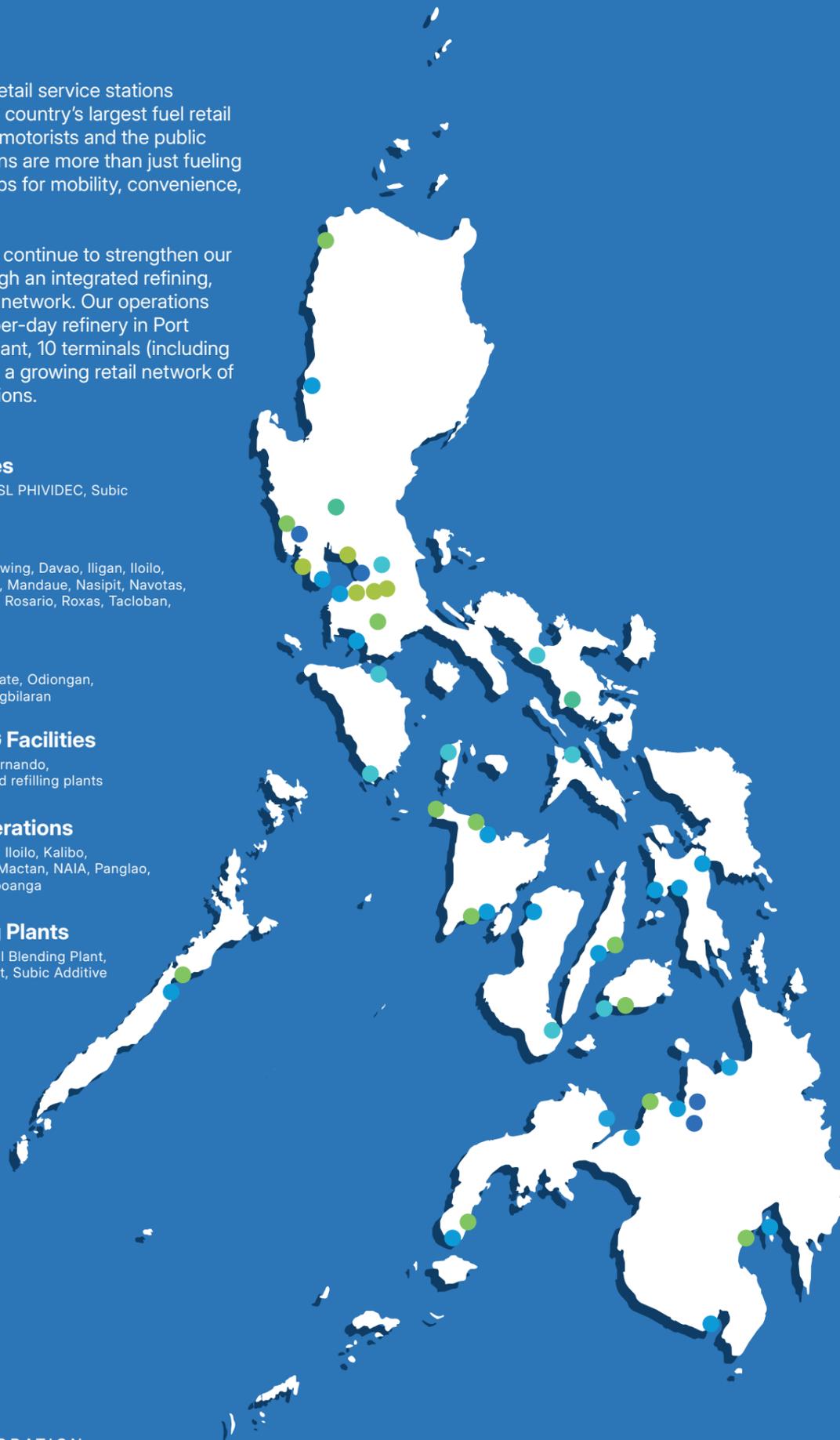
Legaspi, Pasig, San Fernando, San Pablo, and 12 allied refilling plants

12 Into-Plane Operations

Caticlan, Clark, Davao, Iloilo, Kalibo, Laguindingan, Laoag, Mactan, NAIA, Panglao, Puerto Princesa, Zamboanga

3 Manufacturing Plants

Harbor Center Lube Oil Blending Plant, Pandacan Grease Plant, Subic Additive Blending Plant



Our Products and Services

Our long-standing legacy is built on a commitment to quality and world-class fuel products. As an industry leader, we continuously innovate in sourcing and refining fuel to meet the country's evolving energy needs, ensuring reliability and superior performance for every customer.

Our fuel lineup includes Blaze 100, XCS, Xtra Advance, Turbo Diesel, and Diesel Max—each engineered for peak efficiency and optimal engine performance. Strengthening our competitive edge, we produce and test our premium engine oils locally at our state-of-the-art Lube Oil Blending Plant in Tondo, Manila. Meanwhile, our fuel additives, blended at our Subic Bay Freeport facility, are specifically designed to enhance vehicle performance under Philippine driving conditions. We also offer Liquefied Petroleum Gas (LPG) brands, Gasul and Fiesta Gas, providing safe and efficient energy solutions for households and industries alike.



As the premiere automotive fluid specialist, Petron CCC is a one-stop shop carrying our complete line-up of technologically advanced and internationally accredited mineral and full synthetic automotive lubricants. Customers can be assured of quality repair and preventive maintenance services by well-trained mechanics on every visit.

Beyond fuel, we offer comprehensive automotive maintenance and repair services through our Car Care Center (CCC) and CCC Express outlets. Our commitment to enhancing customer experience extends to strategic partnerships with leading food and service chains, transforming our service stations into convenient, one-stop destinations. With Treats convenience stores in select locations, we provide a variety of food, beverages, and essentials for motorists on the go.



Petron Treats goes beyond convenience. With special treats, engaging promotions, and a welcoming atmosphere, it is set to become a community hub where travelers can relax, reconnect, and create moments of joy on the road.

Fuels



Lubricants



LPG



JET A-1 • KEROSENE
 PROPYLENE • POLYPROPYLENE
 BTX (Benzene, Toulene, Xylene)

2024 ESG Performance at a Glance: How We Are Taking the Leap

Program/Initiative	Starting Year of Implementation	Gains	Savings (Php)
SMC Water for All 	2016	REFINERY Scarce Water 2016-2024: 25.8 million m ³ 2024 only: 3.4 million m ³ Recycled Water 2016-2023: 4.65 million m ³ 2024 only: 0.71 million m ³	REFINERY Scarce Water 2016-2023: ₱155 million 2024 only: ₱22 million <i>(Using deep well unit variable cost after conversion to BFW (10.37 ₱/m³), Desal cost at 12.92 ₱/m³).</i> Savings on Recycled Water 2016-2024: ₱22.2 million 2024 only: ₱3.2 million <i>(using deep well variable cost as raw water at ₱4.1/m³)</i>
		TERMINALS 79,633m ³ of harvested rainwater since 2016	TERMINALS ₱7.45 million water savings from rainwater
Use of Waste Energy (Low Pressure Steam) in Desalination Plant 	2016	REFINERY Avoided GHG 453,698.682 tons CO ₂ e since 2016 (114,999.170 tons CO ₂ e in 2024) Avoided Fuel 34,277 MT of petcoke since 2016 (34,035.24 MT in 2024)	REFINERY Fuel Savings (₱580.38 million (₱151.85 million in 2024)) <i>Note: Reason for new values is that total LS absorbed was considered in last year's 2022 SR. New values are now based on net LS or the waste energy absorbed by Desalination Plant. Net LS is calculated by Total LS absorbed by desal less LS letdown from MS.</i>
		Commissioning of Refinery Co-Generation Facility Phase 3 2022	2023 53,639.14 kL Fuel Oil savings 162,027.19 tones of avoided CO ₂ e (refinery only boundary)
Diversification to Petrochem (Benzene, Toluene, Mixed Xylene, Propylene, Polypropylene)	1999 (Mixed Xylene)	REFINERY In 2024, the avoided GHG as Scope 3 if used as fuel was at 1,391,491.47 tons CO ₂ e.	
	2008 (Propylene, Benzene, Toluene)		
	2014 (Polypropylene)		
LED Conversion and Solar Power Usage 	Refinery (2013 for offices, 2016 for streetlights)	REFINERY 2013-2024: 138,793.40 watts saved / 582,765.43 kWh/ 383.92 tons CO ₂ reduced 2024 only: 60,594.40 watts saved/ 330,580.01 kWh/ 229.26 tons CO ₂ reduced	REFINERY 2013-2024: ₱999,340.81 2024 only: ₱565,291.82
	Terminals (2018)	TERMINALS 272,768.88 kWh saved/ 200.99 tons CO ₂ e reduced in 2024	TERMINALS ₱3.1 million on electricity cost in 2024
	Service Stations (2018)	SERVICE STATIONS 4,690 MWh/3,340 tons CO ₂ e reduced for 560 service stations (8,375 kWh/6 tons CO ₂ e per SS) from conversion of Under Canopy Lighting to LED in 2023 to 2024 19,204 KWH solar power generated or 13.7 tons CO ₂ e emissions avoided from Solar Panels installed at three Petron service stations	SERVICE STATIONS ₱47.09 million on electricity cost

Program/Initiative	Starting Year of Implementation	Gains	Savings (Php)
Bulk Additives Delivery (Terminals)	2019	156 MT per year of steel drums avoided	₱29.7 million per year
Waterless Receiving (Terminals)	2019	Eliminated 10,000 m ³ per year of wastewater	Avoided ₱70.0 million in investment cost on wastewater treatment facilities (₱7.0-M/ facility x 10 facilities)
Hazardous Waste Recycling (Refinery) 	2018	2018-2024 12,171 MT hazardous waste diverted from disposal	2018-2024 ₱80.72 million
		2024 only 3,744 MT of hazardous waste	2024 only ₱20.80 million
Continuous to Batch Treatment at Spent Caustic Treater (Refinery)	2020	2020-2024 14,920.74 MT CO ₂ e reduced 208,941.02 GJ Energy Reduced	2022-2024 ₱125.59 million in savings
		2024 only 2,522.42 MT CO ₂ e reduced 354,322.47 GJ Energy Reduced	2024 only ₱23.81 million in savings
Direct Fired Air Heater (DFAH) Decommissioning	2024	2024 5.68 million standard cubic meters or sm ³ /year of Fuel Gas equivalent to 11,745 MT CO ₂ reduced (3.49 million sm ³ /year of fuel gas equivalent to 7,207.9 MT CO ₂ e if 224 days only)	2024 ₱97.62 million in savings/year (224 days only) ₱159.0 million if 365 days. <i>Note: DFAH was decommissioned on May 22, 2024, resulting in a total of 224 days decommissioned until end-December 2024.</i>
Steam Watch	2024	2024 8,107 MT of avoided solid fuels (petcoke and coal) equivalent to 19,241.117 MT CO ₂ e reduced	2024 ₱36.26 million in savings <i>(Monetary savings based on cost of avoided solid fuels)</i>


Employment

2,355
employees (Philippines)*

6.4%
attrition

100%
of employees received regular performance reviews


Occupational Health and Safety

Nearly **11.5 million**
accumulated safe-man hours for all Petron facilities and personnel (including from the Head Office)

9,016
total safety training hours for Petron employees and third-party personnel


Product Responsibility

253,102
total customer feedback received and handled by Petron Customer Care**

* Headcount does not include employees from Petron subsidiaries, which are not part of the reporting boundaries. Total employee headcount including subsidiaries is 3,410.

** Included transactions (voice and non-voice) received by Talk2Us, PGED (Petron Gasul Express Delivery), and SMCM (Social Media Community Management) Group.



Local Communities

Education

- **2,406** *Tulong Aral ng Petron* (TAP) scholars from elementary to high school (SY 2023-2024)
- **300** new Grade 1 scholars from Luzon (Rosario, Cavite and Puerto Princesa, Palawan), Visayas (Mandaue and Mactan, Cebu; Tacloban, Leyte, and; Tagbilaran and Panglao, Bohol) and Mindanao (Davao City and Zamboanga City) for SY 2024-2025
- **10 new TAP college scholars** from Mindanao (Davao, General Santos City, Misamis Occidental, Misamis Oriental, Zamboanga) for SY 2024-2025
- **108 Petron Schools** (equivalent to 256 classrooms) built since 2002
- **124 public schools** in Luzon, Visayas, Mindanao and NCR assisted through Brigada Eskwela 2024
- **30 new Electrical and Mechanical Engineering scholars** from Bataan Peninsula State University under the Refinery Engineering Scholarship program (20 for SY 2023-2024) and (10 for 2024-2025)

Environment

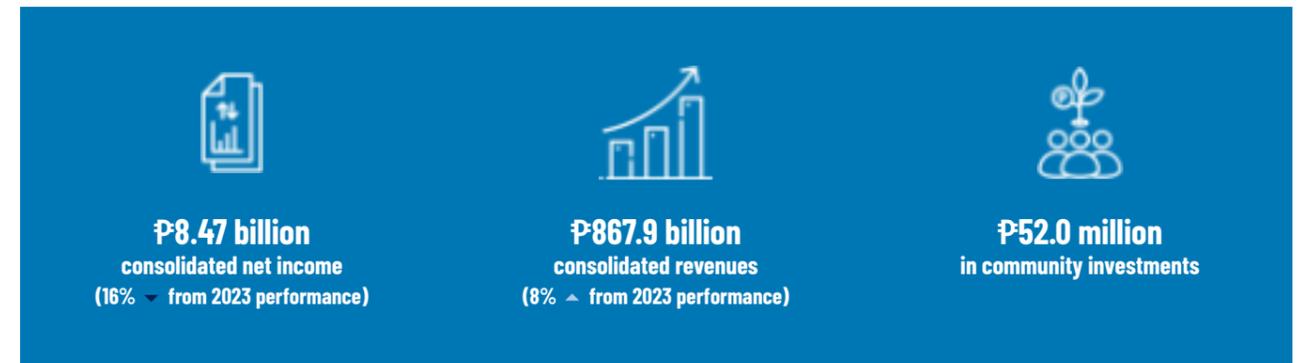
- **55 hectares** of mangrove areas adopted in Bulacan, Capiz, and Davao del Sur for adoption under *Puno ng Buhay*
- **36,766** seedlings and propagules planted
- Approximately **25,000 kilograms** of debris removed from shorelines
- **31 kms.** of coastal areas and creeks cleaned
- **100% of employee volunteer participation** in Earth Day, Environment Month, and International Coastal Cleanup Day activities

Community

- **100% participation** of Petron terminals in social development activities/initiatives
- **Nearly 4,330 beneficiaries** of Petron's Rosario Livelihood Loan Assistance Program since 2011
- **74 Petron engineering scholars** currently employed in the Petron Bataan Refinery for regular positions
- **210 scholars** hired by Petron including Bataan Peninsula State University (BPSU) scholars hired as apprentices or cadets



Governance



Management Systems

1 Refinery	• ISO 9001/14001/45001 (IMS Certified)
30 Terminals nationwide	• ISO 9001 (QMS)
30 Terminals nationwide	• ISO 14001 (EMS)
30 Terminals nationwide	• ISO 45001 (Occupational Health and Safety (OH&S) Management System) Certified
14 Terminals nationwide	• International Ship and Port Facility Security Code (ISPS Code) and certified by the Office of the Transport Security under the Department of Transportation (DOTr)

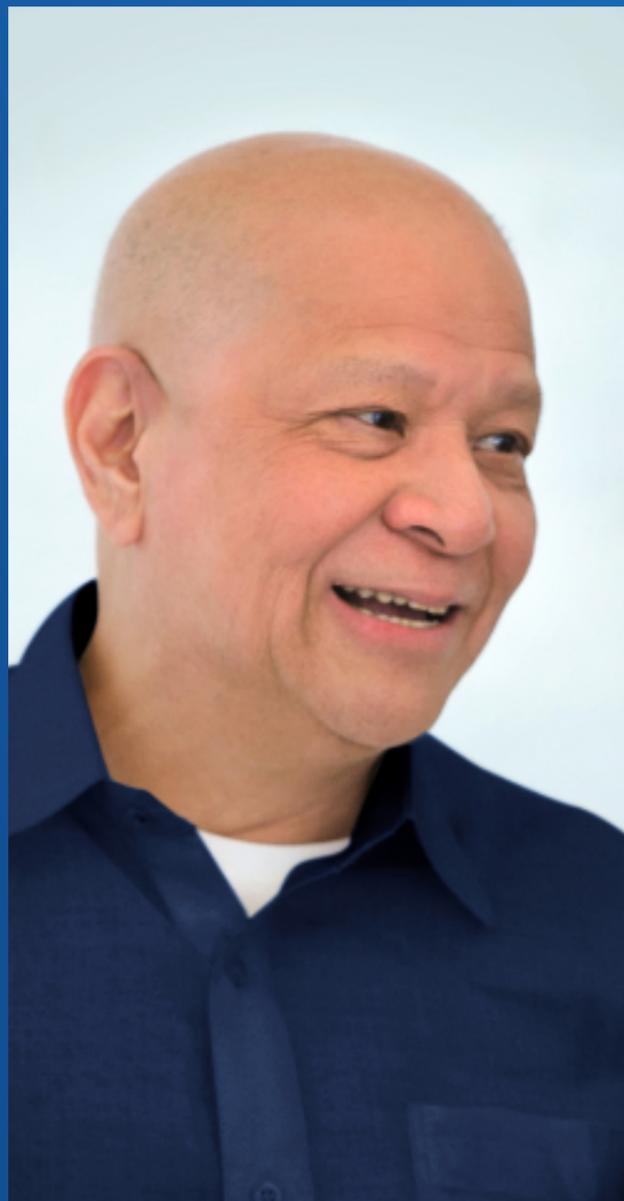
Certifications

1 Petron Foundation	• Department of Social Welfare and Development (DSWD) License to Operate as an auxiliary Social Welfare and Development Agency (SWDA) renewed from July 2023 to August 2027
	• Philippine Council for NGO Certification (PCNC) accreditation from September 28, 2022 through September 28, 2028

Message of the President and CEO

A Bold Step Ahead

GRI 2-22



Ramon S. Ang
President and Chief Executive Officer

To our valued stakeholders,

As Petron continues its sustainability journey, we take pride that our past efforts have not only positioned us ahead of our competitors but also equipped us to effectively navigate the evolving challenges of our business environment. While keeping an eye on our triple bottomline, we have also created more opportunities to drive business growth, enhance operational efficiency, strengthen our role as environmental stewards, and better serve both our internal and external communities.

Despite challenges, we have continuously innovated and optimized our operations to ensure that we are prepared for the future while at the same time reinforcing our commitment to national development.

Relentless in growing our business

There were hurdles along the way, as the industry felt the impact of global events in the Middle East and reduced demand from China, resulting in volatile oil prices. At the same time, policy changes in fuel subsidies in Malaysia and a maintenance shutdown in Petron Malaysia's Port Dickson Refinery in the last quarter of 2024 affected production and exports.

Navigating through these challenges, we held steady to post impressive economic gains. Our Philippine and Malaysia operations recorded ₱867.97 billion in consolidated revenues, up from the ₱801.03 billion in 2023. Our aggregate sales volume went up 10% to 139.85 million barrels from the previous year's 126.91 million barrels, with Philippine operations

and Singapore trading subsidiary leading this charge with total sales of 92.49 million barrels, rising 16% from 2023. We posted a net income of ₱8.47 billion, down 16% from the previous year. Operating income stood at ₱29.22 billion, slightly lower than ₱30.72 billion in 2023. Despite the dip, Petron continued to be financially viable.

We remained the leader in the Philippine oil industry, with a 24.9% share of the market, driven by our relentless efforts to grow Petron. Our dominance extends to the LPG market as well, where we hold a 25.5% share. Retail sales grew by 18%, led by aggressive efforts from our service stations and fleet accounts. Commercial sales also grew by 6%, supported by our record-breaking performance in the aviation segment, which Petron continues to dominate. Aviation sales at the Ninoy Aquino International Airport exceeded 120 million liters in 2024.

Our unrelenting drive to further grow our business meant enlarging our presence, as we built more service stations, added new Petron Gasul and Fiesta Gas stores, and inaugurated more CCCs and engine oil outlets across the country. Alongside our physical expansion were initiatives to gain more customers and retain existing ones. This included exciting rewards and recognition promotions year-round, and tapping new communications platforms and non-traditional channels to keep us constantly connected, visible, and responsive to our diverse audiences.

These efforts are embodied in our "Tapat Sa 'yo" campaign, building on the insights of a consumer tracking study that reaffirmed Filipino motorists' continuing trust in the Petron brand. The study highlighted Petron's trustworthiness, maintaining its position as the strongest brand in this area. Beyond being a catchphrase, "Tapat Sa 'Yo" is our promise to our customers to always be their loyal and trustworthy partner in their everyday journeys.

Looking ahead and beyond the horizon

We continue to stay ahead of the curve as we look at the long-term success of the Company. We have set the stage for future growth with strategic investments in our facilities, operations, and our people.

Our Petron Ecowatch program, for example, has been elevating the awareness and practice of environmental excellence throughout the Operations workforce across the country. Now on its 10th year, this unique self-audit program is promoting sustainability beyond regulatory compliance by using a color-coded rating system to measure the progress of our terminals in their environmental performance, efficiency, and self-regulation through environmental management systems. This has greatly improved our facilities' environmental practices, with four terminals—Bawing, Tacloban, Mandaue, and Roxas—earning Hall of Fame status for their sustained and flawless operations over two consecutive years.



Supported by Petron since Grade 1, these Tulong Aral ng Petron scholars from Mindanao look forward to a promising future as they continue to enjoy the gift of education throughout college.

// As we leap forward into a new era of service, we remain dedicated to serving the Filipino people.

This continuous compliance and integration of best practices have become fundamental to the implementation of our programs.

In launching the Refinery Technical Forum (RTF), PBR provided a platform to inspire creativity and innovativeness among its employees. Even as our Refinery is at par with the best in the region, we still believe in creating an environment that encourages new ideas to increase our competitiveness, minimize operational costs, heighten safety performance, and better manage our environmental impact. We applaud all the 51 exceptional initiatives pitched by PBR employees and look forward to seeing the proposed programs of the winners implemented.

We likewise reinforced our commitment to enabling renewable energy in all our major facilities. Currently, 70 Petron service stations utilize solar power to supplement their electricity needs to help reduce energy consumption, generate cost savings, and lower their carbon footprint. We also inaugurated our first Electric Vehicle (EV) Charging Station along the North Luzon Expressway (NLEX) with plans to further install AC EV Chargers in select stations to meet the growing demands for these environment-friendly vehicles.

Continuity through our community

We understand that growth becomes more meaningful when shared. Through Petron Foundation, Inc. (PFI), we have achieved

significant strides in our banner programs in education (*Tulong Aral ng Petron* or TAP) and environment (*Puno ng Buhay*). In 2024, we have supported over 2,400 TAP scholars from elementary to college across the nation, including 300 new Grade 1 scholars. We also had our 13th batch of scholars under the Petron Engineering Scholarship initiative. Through our *Puno ng Buhay* reforestation program, we take pride in deepening our collaboration with local government units (LGUs) to reduce our environmental impact through our carbon capture efforts.

We are further strengthening our reforestation efforts by engaging the University of the Philippines Los Baños College of Forestry and Natural Resources for the next five years. With their expertise, we will

effectively implement a science-based assessment of carbon sequestration and avoided emissions from our reforestation sites in Davao, Roxas and Bulacan. This will also help us be more strategic in developing our targets for reducing our carbon footprint.

Meanwhile, our renewed partnership with the local government of Limay in Bataan, and the Municipal Fisheries Aquatic Resources Management Council reflects our commitment to empowering communities. By restoring the 7.5-hectare fish sanctuary in Barangay Wawa through the installation of floating markers and artificial coral reefs, we protect vital fish habitats and secure food resources for our surrounding communities.

Our contributions to nurturing community development have not gone unnoticed, and we are humbled by the awards that recognize our sustainability achievements. We were once again honored with the Golden Arrow Award from the Institute of Corporate Directors, reaffirming our commitment to corporate governance excellence. This recognition underscores our adherence to global best practices, including transparency, accountability, and upholding our shareholders' rights.

Through our Puno ng Buhay reforestation program, we are able to manage our environment footprint with being better stewards of nature.



Our TAP program and the Refinery Engineering Scholarship Program, which have supported over 18,000 scholars nationwide, received the Best Community Programme Award (Silver Category) at the 16th Annual Global CSR & ESG Summit and Awards in Vietnam. In the 2024 Brand Finance Philippines 30 Report, Petron was recognized as one of the top ten most valuable Filipino brands for 2024 and ranked 83rd among the most valuable brands in the ASEAN region. Notably, we were the only oil company to secure a spot in the top 10 for Sustainability Perceptions Value.

Taking the leap forward

The steps we have taken in over nine decades have established us as the Philippine's oil industry leader. These have emboldened us to take the leap forward and position Petron well into the future, guided by our new vision of ensuring an energy-secure and prosperous nation and driven towards achieving a sustainable future. This aligns with the SMC sustainability agenda where our business fosters a long-term future "that is good for the planet, good for people, and good for progress" to benefit present and future generations of Filipinos.

Thus, we are taking huge strides in measuring, monitoring, and managing our triple bottomline performance, even as we are identifying and managing ESG and climate-related risks and opportunities. As we expect the Securities and Exchange Commission to mandate companies to adopt the International Sustainability Standards Board (ISSB) reporting standards in the next few years, we are already building our capacity to adopt these guidelines. With the help of the University of Asia and the Pacific, members of our ESG technical working group have begun training in transitioning to the ISSB's International Financial Reporting Standards S1 and S2 on sustainability and climate-related disclosures to enable informed investment decisions with Petron.

As we leap forward into a new era of service, we remain dedicated to serving the Filipino people. Our vision and purpose reflect our desire to continue building on the foundations we have established for the Company and the nation at large.

With our commitment to excellence guiding us in the years ahead, we are more energized than ever to drive progress and enhance the prosperity of both our communities and stakeholders. This dedication not only strengthens our resilience in the face of environmental challenges but also highlights our ongoing effort to create long-term value for all. Together, we will continue to lead the way; one that is marked by innovation, growth, and shared success.

Maraming salamat po!

Ramon S. Ang

President and Chief Executive Officer



Solar-powered lights secure the perimeter of Petron Bawing Terminal

PETRON ECOWATCH PROGRAM: A Decade of Continual Improvement and Commitment to Environmental Excellence

In July 2003, then Department of Environment and Natural Resources (DENR) Secretary Elisea “Bebet” Gozun issued Memorandum Order 2003-26 establishing the implementing guidelines of the Industrial Ecowatch System. This innovative program sought to advocate mandatory self-monitoring, compliance, and self-regulation among key Philippine industries and enjoined them to voluntarily improve their respective environmental performance beyond compliance, even as they built or enhanced their capacity to develop internal environmental management systems or endeavored to subscribe to global environmental standards, such as ISO 14000.

Initially conceptualized in 2003 for San Miguel Corporation, the DPO Ecowatch Program was eventually implemented in 2014 throughout Petron’s 32 depots and terminals. At Petron, we recognize that fueling the nation comes with a profound responsibility, not just to our customers but to the environment and the communities around us. While we work tirelessly to meet the country’s growing energy demands, we are equally committed to minimizing our environmental footprint. Over the years, we have learned that mere compliance is not enough—we need to take proactive measures to ensure that our operations remain consistently environmentally responsible.

With the Ecowatch program, we saw the potential to further green our supply and operations while complementing and completing Petron’s sustainability initiatives: from the PBR’s efforts to measure, manage, and minimize its environmental footprint to the making of Environmental Management Systems-compliant service stations. In 2024, we mark a milestone in that journey as we celebrate the 10th anniversary of the program—now called Petron Ecowatch.

Measuring environmental performance against national and global standards

Under the program, every Petron terminal and sales office is measured against a much-enhanced rating system based on the DENR’s Industrial Ecowatch Rating System or IERS, which initially focused on assessing companies’ impact on water quality. The Petron Ecowatch went further with its goal of assessing its facilities’ environmental performances in terms of maturity of environmental management, adding more points for programs that lead to improved key environmental indicators, and even more points for continual improvement.

The rating system is essentially based on the following broad parameters:

- Level of compliance with environmental laws and regulations and their respective implementing rules and regulations, specifically:

- Presidential Decree No. 1586 Establishing the Philippine Environmental Impact Statement (EIS) System
- R.A. (Republic Act) No. 6969 Toxic Substances and Hazardous and Nuclear Wastes Control Act of 1990
- R.A. No. 8749 Philippine Clean Air Act of 1999
- R.A. No. 9275 Philippine Clean Water Act of 2004
- R.A. No. 9003 Ecological Solid Wastes Management Act of 2000
- R.A. No. 11898 Extended Producer Responsibility on Plastic Packaging Waste Act of 2022

- The extent of facility management effort to reduce and control pollution, and to implement environmental management plans and programs to support the Company’s sustainability goals; and
- The extent of consistency and continual improvement through the years of implementation.

Beyond compliance, we align with internationally recognized standards, including the GRI Standards to ensure that our environmental responsibility is integrated with our broader societal and economic commitments.

Assessment and audit of the facilities’ environmental performance were done internally by a team of select Petron employees trained on the proper implementation of the rating procedures of the program. The team consisted of personnel from CTSG-Environment, Terminal Operations Health, Safety, Security & Environment (HSSE), and the Petron Environment Council. Each year, the team visits all our terminals to evaluate their level of adherence to the parameters set under the Petron Ecowatch program. To ensure a structured evaluation, we have developed an internal color-coded rating system that measures each terminal’s performance.

Making the grade

Over time, we have witnessed remarkable progress across all our terminals in managing their environmental impact.

Since establishing our 2014 baseline of 2.98, we have had a steady increase in ratings, culminating in an overall improvement of 5.88% in 2024 or a 97.4% increase in the environmental management and compliance rating.

Beyond the numbers, our success is driven by the dedication and hard work of our terminal teams. Their commitment to responsible leadership, operational excellence, and sustainability have been instrumental in these achievements.

Recognizing the outstanding commitment of our terminals, we introduced our highest distinction, the Hall of Fame rating for terminals that have demonstrated sustained their Platinum+ rating for two consecutive years, setting the benchmark for environmental responsibility and operational excellence.

In 2024, we proudly elevated four terminals into this prestigious category—Tacloban, Mandaue, Roxas, and Bawing—to recognize their untiring efforts to pioneer best practices, introduce innovative solutions, and integrate sustainability measures to ensure responsible operations while providing a positive impact on their host communities.

While all our terminals adhere to a unified set of environmental standards and procedures, we acknowledge that each facility faces unique challenges. Progress may, at times, be gradual. But what truly sets our teams apart is their resilience—their ability to learn from past experiences and draw inspiration from industry-leading practices. Year after year, they demonstrate that sustainability is a continuous process and a shared journey of improvement and commitment.

Along with these Hall of Fame awardees, 2024 saw the following Operations facilities progress with their color ratings:

As we navigate the complexities of our industry, including managing operational risks, adapting to external challenges, and responding to global and local developments, we understand that environmental stewardship must be an ongoing and proactive effort. This is a collective commitment shared across all our terminals and complements the sustainability initiatives of our Refinery and service stations.

We take pride in the progress we have made as we celebrate a decade of the Petron Ecowatch program. However, our journey does not end here. We remain committed to enhancing innovation, sustaining excellence, and upholding our responsibility to all our stakeholders. The road ahead will bring new challenges, but the strong foundation we have built over the years has prepared us to navigate these complexities with confidence. Through the Petron Ecowatch program, we stand firm in our purpose: fueling progress while uplifting the communities we serve.

	Iligan, Jimenez, Subic Fuel Additives Blending Plant
	Davao, Iloilo, Joint Oil Companies Aviation Fuel Storage Plant (JOCASP), Mactan, Nasipit, New Lube Oil Blending Plant (NLOBP), Pasig, Poro, Ormoc, San Fernando, Tagoloan, Zamboanga
	Bacolod, Limay, Palawan, Rosario
	Mabini, Legazpi
	Navotas

Governing for Growth: Strengthening Sustainability Oversight

GRI 2-13, 2-14

Our ESG Council's constant guidance and strategic direction inspire us to take bold steps forward. It ensures we stay on course by embedding sustainability into management's decision-making, aligning it with our strategic vision, and overseeing our programs and performance.

With its expansion last year, the ESG Council has strengthened cross-departmental collaboration. Led by our General Manager and Chief Finance Officer, alongside senior leaders from various units, the council provides strong leadership in driving sustainability initiatives.

Dedicated heads oversee each sustainability pillar—environment, social, and governance—to ensure a holistic and integrated approach across our business.

At the operational level, the Council is composed of subject matter experts from our Technical Working Group (TWG), representing our refinery, terminals, and service stations. This structure enables seamless execution of sustainability initiatives across our operations.



* ESG TWG Overall Lead ** Vice Chair

Technical Working Group		
ENVIRONMENT	SOCIAL	GOVERNANCE AND ECONOMIC
<p>Edith G. Cabrera Head, Corporate and Technical Services Group (CTSG)-Environment</p> <p>Alejandro R. Romulo Petron Bataan Refinery AVP-PBR Technical Services</p> <p>Robert Frederick P. Lim Operations Services Manager</p> <p>Ramon P. Mendoza Retail Engineering and Network Development (REND) Technical, Admin & Business Support Manager</p>	<p>Mia S. delos Reyes AVP for Corporate Affairs and Executive Director, Petron Foundation, Inc.</p> <p>Luisito Paolo E. Barba Corporate Safety Manager</p> <p>Angela K. Valenzuela HRMD Organizational Development, Talent Acquisition and Development Manager</p> <p>Maria Crisselda T. Torcuator Legal Counsel</p> <p>Ramon M. Cruz Brand Marketing & Advertising Group Head</p> <p>Adonais T. Rejuso, Jr. Retail Services Manager</p> <p>Ronald Allan S. Victorino Project Officer, Petron Foundation, Inc.</p>	<p>Jhoanna Jasmine M. Javier-Elacio VP-General Counsel, Corporate Secretary and Compliance Officer</p> <p>Maria Crisselda T. Torcuator Legal Counsel</p> <p>Kristine H. Palaganas Strategic Communications Manager, Corporate Affairs</p> <p>Camille D. Calderon Procurement Governance Manager</p> <p>Virgilio B. Ramos Management Information Systems Department I.T. Security Manager</p> <p>Nikki Lou O. Baqueriza Supply Trading Manager</p> <p>Ronald Q. Chiong CTSG-R&D Research and Development Manager</p> <p>Paz R. Nery Business Planning and Development Capital Projects Manager</p> <p>Leandro J. Datario Controllers Consolidation & Statutory Reports Manager</p> <p>Erich Y. Pe Lim Investor Relations Manager, Treasurers</p> <p>Romed Jefre S. Gabrillo Enterprise-wide Risk Management Group Risk Manager</p>

The Blueprint for Progress: Our ESG and Sustainability Framework

GRI 2-22, 2-23

Taking this leap reflects our deepened commitment to sustainability—one that goes beyond our company to prioritize the well-being of our people and the environment. It reaffirms our legacy of nation-building, a mission we have upheld for over 90 years, while strengthening the corporate values that guide our sustainability initiatives.

Aligned with our parent company SMC's vision of creating a "World of Good," we anchor our efforts on three key pillars: environment, social, and governance. Our ESG Policy serves as our guiding compass toward an energy-secure and sustainable future.

 <p>ENVIRONMENTAL STEWARDSHIP</p>	 <p>SOCIAL WELL-BEING</p>	 <p>GOOD GOVERNANCE</p>
<ul style="list-style-type: none"> Adhere to all applicable regulatory requirements aimed at minimizing the Company's impact on the environment; Effectively manage our environmental footprint with focus on reducing greenhouse gas emissions, conserving water, and managing our wastes; Actively support the government's programs on the use of clean fuel; and Continually develop or embrace additional future technologies that will result in environmentally and socially beneficial offsets. 	<ul style="list-style-type: none"> Foster a safe, healthy and decent workplace for our employees; Promote a work environment that would provide opportunities for employees' development and engagement; and Improve the quality of life of our communities and external stakeholders through relevant social responsibility programs in education, environment, entrepreneurship, and health and human services. 	<ul style="list-style-type: none"> Foster a governance structure that is founded on strong ethical standards, integrity and transparency through our ongoing commitment to all applicable legislation, regulations, and codes of conduct and practices, and exceeding such standards where possible; and Ensure the long-term viability of our business by managing our risks and improving our supply chain to enhance shareholder value, contribute to national development, and the betterment of our fenceline communities.

Stakeholder Engagement and Materiality Assessment

GRI 2-29, 3-1, 3-2

Advancing our sustainability strategy involves close and continuous collaboration with key stakeholders across various sectors. The insights we achieve through our regular engagement help refine our approach to deliver meaningful and lasting benefits. By fostering open dialogue and integrating stakeholder perspectives, we ensure our strategy remains dynamic, inclusive, and capable of driving long-term positive impact.

Stakeholder Groups	How We Engage Them
Shareholders	<ul style="list-style-type: none"> Annual stockholders' meeting Consultations Distribution of Sustainability Reports Timely and transparent disclosures
Government and regulators	<ul style="list-style-type: none"> Dialogues and representations with both executive and legislative branches of government and relevant regulatory agencies
Industry/business groups	<ul style="list-style-type: none"> Membership in key industry associations
Consumers	<ul style="list-style-type: none"> Petron website Social media channels (Facebook, X [formerly Twitter], Instagram) Product promotions Consumer information campaigns Market research Customer service interaction through PCIC (Petron Customer Interaction Center) Lakbay Alalay motorist assistance
Employees	<ul style="list-style-type: none"> Onboarding sessions Learning sessions and capability-building activities Regular performance reviews Labor-management dialogues PETRONews corporate newsletter Volunteers In Action (VIA) employee volunteering program
Investors and financial institutions	<ul style="list-style-type: none"> Annual stockholders meeting Annual and quarterly financial reports and an annual sustainability report Regular submission of reports and disclosures to regulatory agencies (e.g., SEC, PSE)
Local/host communities and people's organizations	<ul style="list-style-type: none"> Annual and quarterly financial reports and an annual sustainability report Regular submission of reports and disclosures to regulatory agencies (e.g., SEC, PSE)
Academe	<ul style="list-style-type: none"> Partnership with schools through the Department of Education (DepEd) for Petron's scholarship programs
Suppliers, contractors, and third-party service providers	<ul style="list-style-type: none"> Alignment meetings Demonstration teaching and program walkthroughs Post program feedback
Civil society organizations (CSO)/ non-governmental organizations (NGO)	<ul style="list-style-type: none"> Membership in major civil society organization/non-government organization (CSO/NGO) Partnerships with like-minded organizations
Media	<ul style="list-style-type: none"> Media advisories/press releases Annual stockholders' meeting

Understanding the needs of our stakeholders has provided valuable insights into the key topics that significantly impact our business. In 2022, we engaged the University of Asia and the Pacific-Center for Social Responsibility (UA&P-CSR) as an independent third-party expert to conduct our materiality assessment. UA&P-CSR employed an innovative approach that considered both Petron's impact on financial value and its broader socio-economic environment.

This aligns with global sustainability reporting standards by adopting the double materiality perspective. As a result, Petron's material topics are globally benchmarked, allowing our Company to remain agile in navigating the evolving ESG landscape while effectively addressing the priorities of investors and stakeholders.

Our materiality assessment process followed these key steps:



During this reporting period, UA&P-CSR engaged with the following Petron facilities to assess and discuss the Company's 2024 ESG performance, along with relevant programs and initiatives. These sessions provided valuable insights to enhance sustainability efforts across our operations.



REFINERY
Petron Bataan Refinery
Lima, Bataan



OPERATIONS
Petron Tacloban Terminal
Tacloban, Leyte
New Lube Oil Blending Plant
Tondo, Manila



SERVICE STATIONS
Petron Express Center (PEC) 1
Marilao, Bulacan
Petron Km. 75 Service Station
Malvar, Batangas

In 2024, we reported on 20 ESG topics based on our previous materiality assessment conducted in 2022. We also aligned our material topics with the United Nations Sustainable Development Goals (UN SDGs) and the Philippine Development Plan 2023-2028. Moving forward, we aim to regularly update our material topics to remain aligned with emerging trends, evolving stakeholder expectations, and the dynamic external landscape.



Material Topic	Alignment with UN SDGs	Alignment with Philippine Development Plan
ENVIRONMENTAL		
Materials	8 12	<ul style="list-style-type: none"> Accelerate Climate Action and Strengthen Disaster Resilience
Energy	7 8 12 13	<ul style="list-style-type: none"> Accelerate Climate Action and Strengthen Disaster Resilience Expand and Upgrade Infrastructure
Water and Effluents	6 12	<ul style="list-style-type: none"> Accelerate Climate Action and Strengthen Disaster Resilience Expand and Upgrade Infrastructure Promote Human and Social Development
Biodiversity	6 14 15	<ul style="list-style-type: none"> Accelerate Climate Action and Strengthen Disaster Resilience
Emissions	3 12 13 14 15	<ul style="list-style-type: none"> Accelerate Climate Action and Strengthen Disaster Resilience Promote Human and Social Development
Waste	3 6 8 11 12 15	<ul style="list-style-type: none"> Accelerate Climate Action and Strengthen Disaster Resilience Promote Human and Social Development
SOCIAL		
Employment	3 5 8 10	<ul style="list-style-type: none"> Promote Human and Social Development Increase Income-earning Ability
Labor-Management Relations	8	<ul style="list-style-type: none"> Promote Human and Social Development
Occupational Health and Safety	3 8 16	<ul style="list-style-type: none"> Promote Human and Social Development
Training and Education	4 5 8 10	<ul style="list-style-type: none"> Promote Human and Social Development Increase Income-earning Ability
Local Communities	1 2	<ul style="list-style-type: none"> Promote Human and Social Development
Customer Health and Safety	16	<ul style="list-style-type: none"> Promote Human and Social Development
Marketing and Labeling	12 16	—
Customer Privacy	16	—
ECONOMIC / GOVERNANCE		
Economic Performance	8 9 13	<ul style="list-style-type: none"> Ensure Macroeconomic Stability and Expand Inclusive and Innovative Finance
Market Presence	1 5 8	<ul style="list-style-type: none"> Ensure Macroeconomic Stability and Expand Inclusive and Innovative Finance Increase Income-earning Ability
Indirect Economic Impacts	1 3 5 8 9 11	<ul style="list-style-type: none"> Expand and Upgrade Infrastructure Promote Human and Social Development Increase Income-earning Ability
Anti-Corruption	16	<ul style="list-style-type: none"> Promote Competition and Improve Regulatory Efficiency Practice Good Governance and Improve Bureaucratic Efficiency
Anti-Competitive Behavior	16	<ul style="list-style-type: none"> Promote Competition and Improve Regulatory Efficiency Practice Good Governance and Improve Bureaucratic Efficiency
Tax	1 10 17	<ul style="list-style-type: none"> Ensure Macroeconomic Stability and Expand Inclusive and Innovative Finance

Amplifying Impact: Measuring Our Leap Forward



Raising the Bar for Our Planet

We are advancing our environmental initiatives by integrating a circular economy approach into our operations. Beyond minimizing our impact, we aim to be proactive in resource efficiency, waste repurposing, and emissions reduction through innovative solutions.

We continuously strengthen our sustainability efforts by measuring, monitoring, and mitigating emissions as part of our commitment to climate resilience. Through robust tracking and assessment, we gain deeper insights into our carbon footprint, enabling us to take decisive action to reduce greenhouse gas (GHG) emissions and enhance energy efficiency across our operations.



Responsible Material Use

GRI 3-3, 301-1, 301-2, 301-3

Our approach

The oil sector faces challenges such as the volatility of crude oil prices—amid evolving global trends. As the largest oil company in the Philippines, we remain steadfast in our commitment to responsible practices, particularly proper materials management.

Effective materials management is essential given that crude oil, our industry's primary raw material, is a non-renewable resource with the potential for future depletion. Therefore, we are dedicated to using resources responsibly and sustainably. To address these challenges, we implement a comprehensive Logistics Management Plan to ensure a stable supply of petroleum products while mitigating risks associated with price fluctuations.

Our progress

Materials used by weight or volume

In 2024, we used a total of 8,492,999.65 metric tons (MT) of non-renewable materials, including crude oil, imported fuels, raw materials, and packaging materials. During the same period, the volume of crude oil processed decreased by 5.2%. However, this decline was partially offset by a rise in finished product imports, resulting in an increase in the use of non-renewable materials.

Meanwhile, our use of renewable materials increased to 176,255.84 MT from 148,003.14 MT in 2023. These renewable materials come from the biofuel components of liquid fuels used in our facilities—including ethanol and coco methyl ester—as mandated by Republic Act (R.A.) No. 9367 or the Biofuels Act of 2006. The increase in 2024 was driven by higher bioethanol purchases, which were necessary due to an increase in gasoline sales, as gasoline contains 10% bioethanol.

Materials used by weight or volume (in MT)

Requirements	2024	2023	2022
Non-renewable materials used ¹	8,492,999.65	8,443,206.10	7,098,890.15
Renewable materials used ²	176,255.84	148,003.14	148,258.44

¹ Resource that does not renew in short time periods

² Material that is derived from plentiful resources that are quickly replenished by ecological cycles or agricultural process, so that the services provided by these and other linked resources are not endangered and remain available for the next generation

Recycled input materials used

In line with our commitment to managing both actual and potential risks and impacts, we developed our Extended Producer Responsibility (EPR) Program in 2023. This initiative focuses on reducing and recovering plastic packaging materials used in our lube oil products, aligning with the goals of R.A. No. 11898, or the EPR Act of 2022.

Our program includes the following strategies:

- Redesigning containers to reduce weight and exploring alternative packaging materials to minimize plastic usage
- Partnering with retail stations, lube retail outlets, and distributors to collect and recover used packaging materials from consumers. Additionally, our terminals will facilitate the collection and recycling of tamper-proof seals
- Converting collected containers into plastic pellets by collaborating with plastic recycling facilities. These pellets will be blended with virgin plastic resin to manufacture new bottles with recycled plastic content
- Working with plastic waste management partners to collect and recycle post-consumer plastic, helping offset our plastic packaging footprint

Reclaimed products and their packaging materials

In 2024, we reclaimed a total of 1,032.06 MT of products and packaging materials. Petron partnered with Plastic Credit Exchange, a waste management organization with a network of waste diverters for the recycling of 1,070 MT of rigid and flexible plastics.

Additionally, Petron directly collected 31.6 MT of plastic materials and sent them to plastic recyclers. Of this amount:

- **3 MT** were upcycled into plastic chairs and donated to a partner school in Davao
- **28.6 MT** were recycled to produce 19.7 tons of plastic pellets and incorporated into the production of new lube containers
- Our Polypropylene Plant also recovered **2.14 MT** of packaging materials from its clients for reuse.

Moving forward, we remain committed to integrating sustainability into our business operations by aligning our practices with environmental regulations and international standards. To this end, we will continue implementing environmental, safety, and quality management systems based on ISO standards to proactively address potential risks and impacts within our Refinery and fuel terminals.

Furthermore, we will seize opportunities to reduce waste, minimize environmental impact, and promote circularity in material use. These efforts will not only strengthen our Company's sustainability performance but also create value for our business partners, customers, and other stakeholders.

Efficient Energy Management

GRI 3-3, 302-1, 302-2, 302-3, 302-4, 302-5
Topic 11.1 GHG emissions

Our approach

As an oil company, we recognize that energy is essential to both our operations and broader economic progress. We aim to maintain a critical balance—optimizing efficiency while protecting ecosystems and uplifting local communities. In pursuit of this goal, we are committed to responsible energy use and continuously exploring innovative solutions. This goes beyond simply reducing consumption; we actively seek opportunities to invest in cleaner energy sources.

Our strategies focus on optimizing energy use across our operations. We prioritize investments in advanced energy-efficient lighting and initiatives that promote conservation at all levels. This commitment includes strict adherence to environmental regulations and industry standards to ensure a responsible and proactive approach to energy management.

Consistent with our objectives, we recognize the importance of cleaner energy resources. We actively implement initiatives across our Refinery, terminals, and service stations to conserve energy and minimize environmental impact. By leveraging efficient technologies and processes, we enhance sustainability in our daily operations.

A big part of the energy management program is the Refinery Solid Fuel Fired Power Plant (RSFFPP) or co-generation (cogen) plant. This facility reduces the Refinery's combined scope 1 and 2 emissions with the replacement of thermal boilers by recovering and converting waste heat to produce steam for the process. At the same time, this generates electricity that provides reliable power supply to the refinery, ensuring that plant shutdowns caused by external power interruptions are readily avoidable. In the process, the plant also enhances plant efficiency. The RSFFPP Phase 3 project integrates advanced technology, including a Circulating Fluidized Bed (CFB) Boiler for efficient and clean solid fuel combustion. A heat recovery system further enhances energy conservation by capturing heat from process streams to preheat furnace feeds. Additionally, hot flue gases from furnaces are used to generate steam or heat combustion air. This dual approach improves fuel flexibility, reduces emissions, and promotes more efficient combustion practices.

Our terminals have launched a comprehensive five-year program to enhance the use of renewable energy. This initiative includes strategic measures such as installing and transitioning to LED and solar-powered lighting systems.

Our progress

Energy consumption

Our operations consumed a total of 41,508,886.88 million gigajoules (GJ) in 2024, encompassing both renewable and nonrenewable energy sources. We have recorded a decrease in energy consumption from non-renewable sources in 2024 compared to 2023 at approximately 4.7 million GJ. Improvements in our Fluidized Catalytic Cracking-2 (FCC-2) led to the decommissioning of the Direct Fired Air Heater (DFAH),

which resulted in the reduction in refinery fuel consumption equivalent to 126,366 GJ. The improvement in fuel gas network also allowed maximization of fuel gas consumption of process heaters, eliminating the need for supplemental fuel and operations of process boilers.

Alongside this was the reduction of steam demand of the Refinery through the Steam Leaks Abatement Initiative or Steam Watch program launched in early 2024. This program was intended to help PBR mitigate steam losses in the Refinery and reduce energy wastage, conserve water and minimize economic penalties by establishing and maintaining a centralized and up-to-date database of refinery-wide steam leaks with periodic updates on vital information, such as leak locations, respective leak rates, associated penalties, root causes, and current status. By the end of 2024, we realized savings of ₱7.63 million in avoided penalties from arrested steam leaks equivalent to 200,696 GJ Energy or 19,241 tons CO₂e reduction in the refinery. This is lower by 10.33 versus 2023 due to a decrease in volume of crude oil processed at the refinery (5.2%), reduced electricity sold by 234,776 GJ (16.8% versus 2023), and other energy efficient initiatives.

There was also a significant decrease in our electricity sold in 2024 compared to the previous year, with a reduction of 234,776 GJ. Energy consumption from renewable sources, on the other hand, showed a significant increase in 2024 compared to 2023, rising by 852.68 GJ.

These operational changes have significantly enhanced the Refinery's overall energy efficiency.

The net energy consumption is lower by 10.33% versus 2023 due to a decrease in volume of crude oil processed at the Refinery (5.2%), reduced electricity sold by 234,776 GJ (16.8% versus 2023), and other energy efficient initiatives.

For their part, 133 of our service stations have already upgraded to LED lighting, achieving around 80–90% completion this year. Three service stations also have successfully integrated solar energy, with each service station having the potential to reduce carbon emissions by up to 77 MT. The solar panels are capable of powering service station buildings, under-canopy lighting, and Treats Convenience Stores.

These initiatives started in 2018 and have since resulted in the following:

- **8,184 MWH/5,829 tons CO₂e** reduced for 1,057 service stations (7,743 kWh/5.52 tons CO₂e per service station) from conversion of under canopy lighting to LED in 2024
- **446,504 KWH** solar power generated or **318 tons** CO₂e emissions avoided from solar panels installed at three Petron service stations

As an oil company dedicated to fostering a sustainable tomorrow, we remain steadfast in our commitment to implement practices and technologies that reduce environmental impact while enhancing operational efficiency, thereby ensuring a reliable and long-term fuel supply.

Energy consumption within the organization (in GJ)			
Requirements	2024	2023	2022
Total energy consumption from non-renewable sources	40,784,475.15	45,528,188.72	41,463,853.50
Total energy consumption from renewable sources*	3,666.81	2,814.13	7,169.10
Electricity sold	513,943.99	748,720.37	262,824.80
Total energy consumption within the organization (includes 1,241,589.33 GJ from flare gas burned in 2023)	41,508,886.88	46,292,863.83	42,376,468.40

Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives (in GJ)			
Requirements	2024	2023	2022
Fuel	366,932.95	65,481.43	27,781.87
Electricity	3,432.67	1,232.19	493.00
Total	370,365.62	66,713.62	28,274.88



Managing Our Energy to Create a Smaller Carbon Footprint

As our facility that processes crude oil into a host of petroleum products, PBR is responsible for 99% of the Company's greenhouse gas emissions and nearly 99.8% of our total energy consumption.

To address these, PBR has a dedicated Energy Engineering Department tasked to "promote an energy-efficient refinery and powerplant operations through innovative, sustainable programs and proficient technical assistance concerning Oil Loss, Utilities, Combustion Engineering and Energy Efficiency". Energy Management in PBR covers three major areas: improving energy efficiency, minimizing oil loss, and optimizing utility use. The refinery continuously implements energy initiatives such as energy recovery, managing resource consumption, and enhancing fuel use in combustion processes to improve its overall energy performance, leading to reduced costs and faithful compliance with R.A. 11285 or the Energy Efficiency Act. In the process, it furthers Petron's sustainability goals, specifically in reducing energy utilization and GHG emissions.

Managing our energy streams

The Refinery operates mainly on fuels and utilities. Fuel gas generated internally from its process units supply the required heat for the process furnaces and heaters. Fuel oil or LPG supplement the required fuel when fuel gas supply is lower than demand. We reduce the need to use fuel oil and LPG as alternative fuel by maximizing the use of available fuel gas, minimizing flaring loss, and efficiently operating our process heaters.

Steam and power being supplied to the Refinery are internally produced via the Thermal Power Plant (TPP) and the RSFFPP, which is fueled by petcoke, a by-product from the refinery and coal. Fuel gas and liquid fuel are used in TPP. In PBR, we ensure that steam and power are being efficiently managed both from the supply and demand side. When necessary, PBR is capable of both importing power from grid and exporting power to it in excess of refinery demand.

The Refinery aims to ensure efficient use of fuels and utilities and to minimize our energy losses. With efficient use of energy, we reduce our energy consumption and minimize our environmental impact such as reduction in GHG footprint.

Enhancing energy efficiency

Coming from the recent 2024 Refinery Turnaround, DFAH was decommissioned after FCC-2 was stabilized. The equipment was usually running in the past years to support FCC-2's heat requirement. Per unit design, the equipment is only required during FCC-2 start-up and thus can be decommissioned during normal operations. After a thorough review of unit operation and the implementation of necessary modifications, DFAH was successfully decommissioned in May 2024. This has resulted in annual savings of approximately 5.68 million standard cubic meters of fuel gas per year and an avoidance of some 11,745 tons of CO₂e emissions per year.

Also part of the Refinery's Sustainability Roadmap is its transition to energy-efficient LED lighting to reduce energy consumption. A total of 420 conventional bulbs across the refinery have already been replaced with LED units. We are also conducting trial installations of solar-powered LED streetlights and exploring the viability of renewable-powered lighting options for future scalability.

Engaging stakeholders in energy management

In support of these main efforts, PBR is also actively engaging its stakeholders as partners in energy management through the following programs:

Energy Portal	Launched in early 2024, the Energy Portal centralizes all the latest worksheets, references, and documents related to Energy to ensure easy access by the public of the most up-to-date worksheets for energy related calculations and programs. The portal serves as the primary communication platform for Energy Engineering, facilitating collaboration and information exchange among all involved groups and stakeholders.
Fuel, Steam, Water, and Power Balances (FSWaPB)	Held once a week, this meeting aims to deliver valuable projections for fuel, steam, water, and power usage to guide refinery operations and analyze variances, enabling optimized performance. Specifically, FSWaPB: <ul style="list-style-type: none"> Provides a data-driven framework for guiding the weekly operational performance and decision-making within the refinery to ensure proactive management of energy sources. Analyzes deviations in fuel, steam, and power consumption to identify inefficiencies and potential areas for process optimization. Discusses concerns or any clarifications, as well as critical items relating to the optimization.
Fuel, Utilities, Loss, and Conservation Activities (FULCA)	This monthly meeting aims to keep the Refinery informed of the progress of Energy Engineering programs. Additionally, it seeks to address challenges in implementing these initiatives and gather feedback and support from other departments to enhance program effectiveness.
Empower Change (Water & Electricity Conservation)	A monthly energy awareness campaign material that provides Refinery personnel with visually engaging & informative infographics to foster awareness and a shared understanding of energy conservation activities, ongoing projects, and refinery developments. These materials are also discussed weekly prior to the start of FSWaPB meetings.
Fuel Insights and Recommendations for Efficiency (FIRE)	A bi-monthly report designed to drive collaborative actions towards achieving efficient and sustainable furnace operation, leading to optimized performance and continuous improvement. Monitoring results are presented, and action items are agreed upon with Operations and other concerned groups on matters involving Furnace Efficiency and Utilization, Furnace Parameters, Opportunity Savings, as well as Action Items for each Furnace

PBR also has continuing and sustained initiatives to reduce energy consumption and carbon footprint.

Spent Caustic Treater Batch Operation	From a 24/7 operation, SCT started operating batchwise to save fuel, starting in 2020.
IMPACT Operating days were reduced to 190 days in 2023 Resulted in savings of 1.52 million liters of fuel oil equivalent, translated to 4,590 ton CO ₂ e in 2023 Equivalent to 0.11% reduction in total refinery GHG	
Cleaning of Pre-Heat Exchangers	Preheat exchangers of crude distillation units need to be maintained clean and foulant-free to decrease fuel consumption of main crude furnace, saving costs and reducing emissions
IMPACT 1.53 million liters of fuel oil equivalent saved, translated to 4,612 ton CO ₂ e in 2023 equivalent to a reduction of 0.12% in total refinery GHG	

All told, these initiatives being spearheaded by PBR's Energy Engineering Department and implemented throughout the facility all lead to a more efficient and responsible refinery that supports Petron's purpose of driving national development and uplifting communities towards a sustainable future.



Sustainable Water Management

GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5
Topic 11.6 Water and Effluents

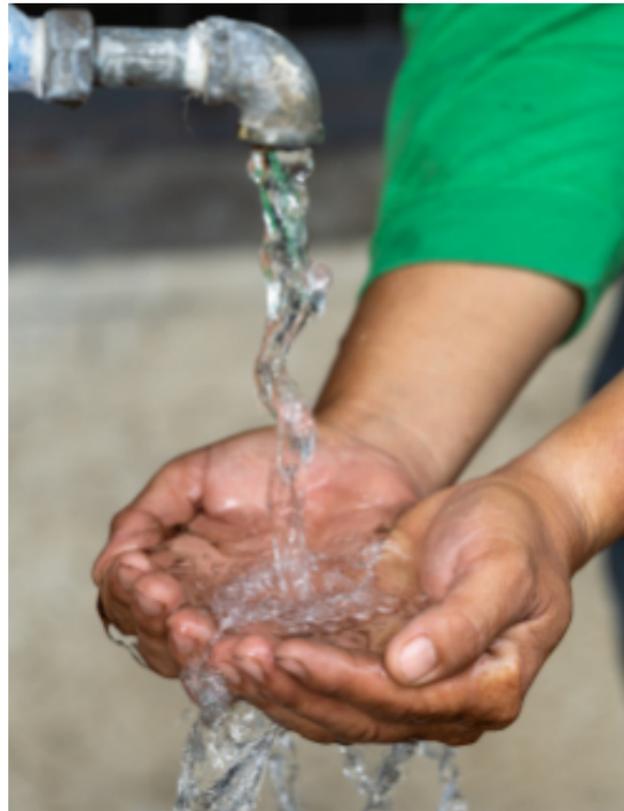
Our approach

Our commitment to water stewardship reflects our dedication to environmental protection and our support for local communities that depend on these resources. Effective water management and responsible effluent discharge are crucial for operational continuity, minimizing environmental impact, and maintaining our social license to operate. With increasing regulatory scrutiny and rising stakeholder expectations, proactive and transparent water management is essential across our industry. This includes reducing freshwater consumption, maximizing water reuse and recycling, and ensuring the safe treatment and discharge of effluent to protect water quality and aquatic ecosystems.

At Petron, we recognize that access to clean water is a fundamental human right, and we are committed to minimizing our impact on local water resources through initiatives such as Project CODy (in reference to Chemical Oxygen Demand) and the adoption of waterless receiving in terminals to actively reduce water consumption, maximize reuse, and ensure responsible effluent discharge. We remain focused on achieving our water reduction targets, investing in innovative water management technologies, and continuously enhancing our monitoring and reporting practices to uphold transparency and accountability in our water stewardship.

Our progress

We take proactive measures to reduce our reliance on freshwater sources, enhance wastewater treatment, and promote the recycling of water. In 2024, we strengthened these efforts by improving water efficiency, expanding the use of alternative sources, and implementing strategies to minimize our environmental impact.



Water withdrawal

In 2024, our total water withdrawal increased to 151,568.60 megaliters (ML) compared to the previous year. This rise was primarily driven by the increased utilization of seawater at our Refinery. Of the total water withdrawn, 92.87% came from infinite or non-scarce resources, such as seawater and rainwater.

We recognize that 99.99% of the total water withdrawn comes from water-stressed areas. We optimize our water sources by prioritizing seawater and rainwater harvesting over groundwater extraction. We have sustained the implementation of water conservation programs to reduce scarce water consumption, particularly groundwater. In 2024, we further improved our performance in the SMC Water for All program by reducing our scarce water consumption by 29.64% compared to our 2016 baseline, better than our 28.47% reduction performance in 2023. By optimizing our water usage, we have reduced our use of scarce water by 24.74 thousand ML since the program began. Including previous reduction efforts in 2016 of 3.86 thousand ML, we have reduced our scarce water use by a total of 28.60 ML.

Water withdrawal from all areas (in ML)								
Year	Surface Water	Groundwater	Seawater	Rainwater	Third-Party Water	Total	Breakdown of total water withdrawal in megaliters according to:	
							Freshwater	Other Water
2024	0	10,756.89	140,605.55	7.75	198.40	151,568.60	10,963.04	140,605.55
2023	0	10,058.74	134,968.28	10.64	692.30	145,729.96	10,761.25	134,968.70
2022	4.34	10,497.77	131,622.16	16.99	500.04	142,641.31	11,019.61	131,622.16

Water withdrawal from all areas with water stress (in ML)								
Year	Surface Water	Groundwater	Seawater	Rainwater	Third-Party Water	Total	Breakdown of total water withdrawal in megaliters according to:	
							Freshwater	Other Water
2024	0	10,754.83	140,596.94	6.71	191.68	151,550.16	10,953.22	140,596.94
2023	0	10,057.17	134,960.26	7.40	685.19	145,710.01	10,749.75	134,960.26
2022	0	10,459.85	131,615.81	12.72	493.20	142,581.58	11,019.30	131,622.16

Water discharge

Our total water discharge in 2024 reached 143,062.49 ML, reflecting an increase primarily due to higher seawater use at the Refinery. Of this amount, 142,898.07 ML was discharged into seawater, 164.28 ML into surface water, and 0.14 ML through third-party sources. In water-stressed areas, the total water discharge amounted to 143,044.60 ML, with 142,883.98 ML released into seawater and 160.48 ML into surface water.

To ensure compliance with stringent environmental standards, we have continued to enhance our wastewater treatment processes. In 2024, we upgraded wastewater treatment facilities at selected terminals and service stations, further improving treatment efficiency and compliance with the Clean Water Act. Additionally, our Refinery's Project CODy reduced wastewater generation and enabled wastewater treatment facilities to comply with more stringent effluent standards. This underscores our ongoing commitment to wastewater management improvements.

Water discharge to all areas (in ML)							
Year	Surface Water	Groundwater	Seawater	Third-Party Water	Total	Breakdown of total water discharge in megaliters according to:	
						Freshwater	Other Water
2024	164.28	0	142,898.07	0.14	143,062.49	164.42	142,898.07
2023	234.57	0	136,828.67	0.07	137,063.31	6,596.79	130,466.52
2022	155.22	0	133,834.04	0.73	135,716.65	5,997.42	127,992.56

Water discharge to all areas with water stress (in ML)							
Year	Surface Water	Groundwater	Seawater	Third-Party Water	Total	Breakdown of total water discharge in megaliters according to:	
						Freshwater	Other Water
2024	160.48	0	142,883.98	0.14	143,044.60	6,151.95	136,892.65
2023	229.74	0	136,815.57	0.07	137,045.39	6,586.89	130,458.49
2022	116.54	0	133,816.99	0.73	133,934.27	5,948.06	127,986.21

Water consumption

Our total water consumption in 2024 was 8,506.26 ML, marking a decrease from the previous year. Specifically, consumption in water-stressed areas totaled 8,505.63 ML. This reduction was primarily attributed to a lower volume of crude oil processed at the Refinery along with water conservation initiatives such as maximizing the use of recycled water, proactive replacement of Reverse Osmosis (RO) membranes for more efficient operations of RO units, and reducing steam/water losses through the rectification of steam leaks via the Steam Watch program.

Our Refinery and Terminals maintained strict compliance with regulatory limits and the renewal of discharge permits. Looking ahead, we remain dedicated to strengthening our water conservation and management strategies. We are actively exploring advanced water recycling technologies and expanding our rainwater harvesting infrastructure. By continuously enhancing our water efficiency initiatives, we aim to contribute to long-term water security while ensuring responsible stewardship of this essential resource.

Water consumption (in ML)			
Requirements	2024	2023	2022
Total water consumption from all areas	8,506.26	8,666.75	8,651.47
Total water consumption from all areas with water stress	8,505.63	8,664.62	8,647.46
Change in water storage	0.16	0	0

Biodiversity Conservation

GRI 3-3, 304-1, 304-2, 304-3, 304-4
Topic 11.4 Biodiversity

Our approach

Recognizing the direct and indirect impacts of our operations on ecosystems, we prioritize sustainable resource management in our business activities. We proactively take part in the preservation and restoration of local biodiversity to safeguard the natural environment given the proximity of some of our operational sites to designated protected areas.

Our initiatives include comprehensive reforestation efforts, such as mangrove and tree-planting programs, and coastal cleanup drives aimed at reducing our ecological footprint. These proactive measures not only contribute to habitat protection and restoration but also support the long-term health of the environment.

To amplify our impact, we work closely both with the DENR at the national level and with LGUs and key stakeholders at the local level to ensure the effectiveness and sustainability of our programs.

At Petron, we recognize that collaboration is a key driver of meaningful change. We are committed to partnering with other terminals to identify additional reforestation sites, while ensuring continuous engagement with local DENR offices, LGUs, and community organizations. Through these efforts, we aim to mitigate environmental impacts, enhance biodiversity conservation, and foster a sustainable future, all while balancing our operational responsibilities.

An indicator of our commitment is the remarkable performance of our Petron Terminals within our 10-year Terminal Ecowatch program, where they target to surpass governmental environmental compliance standards. Our facilities are tasked with integrating innovative practices to reduce carbon emissions, optimizing energy efficiency, and effectively managing pollutants while adopting circular economy principles and activities that help preserve nearby natural habitats and their flora and fauna. These initiatives are designed to enhance operational efficiency, contribute to a safer work environment, and preserve critical ecosystems to reinforce our commitment to sustainability and the well-being of the communities we serve.

Our progress

We acknowledge the critical importance of our operations within the Sarangani Bay Protected Seascape in Bawing, General Santos City, particularly concerning the potential environmental risks associated with pollution from maritime activities and our fuel terminal operations. In response, we commit to mitigating the environmental impact of our Bawing Terminal activities.

We have instituted proactive measures which include the systematic maintenance and continuous monitoring of engineered coral domes installed along the Bawing Terminal Pier. For three consecutive years, we have been conducting weekly shoreline cleaning and monitoring initiatives. Furthermore, we are undertaking the rehabilitation of the terminal's perimeter fencing and implementing robust shoreline protection measures. These initiatives reflect our dedication to enhancing our defenses against potential pollution incidents and ensuring the sustainability of the surrounding marine environment.

Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			
Type of Operation	Location	Name of Protected Area	Protection Status
Sales Office	Amlan, Negros Oriental	Tañon Strait Protected Seascape	• Protected under National Integrated Protected Areas System (NIPAS)
Fuel Terminal	Bawing, General Santos City	Saranggani Bay Protected Seascape	• International Union for Conservation of Nature (IUCN) Category V

In 2024, our personnel, together with volunteers from Refinery and Terminal Operations, again did their share to enhance environmental sustainability through the planting of over 36,700 tree seedlings and mangrove propagules. This initiative aligned with the observance of Earth Month, Environment Month, and International Coastal Cleanup Day.

In 2022, we initiated our habitat restoration and protection initiative by safeguarding an initial area of 2.137 hectares. By 2023, the scope of this initiative expanded significantly to cover 57 hectares, which continued in 2024. The program, which commenced in two municipalities, has since scaled to five: Bawing in General Santos City; Tagoloan in Misamis Oriental; Hagonoy in Davao del Sur; Ivisan in Roxas City; and Obando in Bulacan.

Habitats protected or restored						
Location ▶	Bawing, Gen. Santos City	Tagoloan, Misamis Oriental	Hagonoy, Davao del Sur	Ivisan, Roxas City	Obando, Bulacan	Total
2024						
Size (in hectares)	1	1	20	25	10	
Status	5,395 mangrove propagules planted	800 fruit and hardwood trees planted	12,000 mangrove propagules planted	31,250 mangrove propagules planted	On-going site preparation and nursery establishment	57
2023						
Size (in hectares)	1	1	20	25	10	
Status	5,395 mangrove propagules planted	800 fruit and hardwood trees planted	12,000 mangrove propagules planted	31,250 mangrove propagules planted	On-going site preparation and nursery establishment	57
2022						
Size (in hectares)	1	1	–	–	–	
Status	500 mangrove propagules planted	150 seedlings and bamboo	–	–	–	2.137

In 2024, our operations recorded no significant adverse impacts on local biodiversity, with no species reported as being directly or indirectly affected. The extent of the impacts observed was confined strictly to the immediate vicinity of the terminals. These impacts were determined to be short-term in nature, with no irreversible effects identified—underscoring our focus on maintaining ecological stability and aligning with our broader sustainability and biodiversity conservation goals.

Integrating climate risks into the Business Continuity Plan for the Bawing Terminal is a strategic measure to mitigate the impacts of climate change and support biodiversity conservation efforts. As part of this commitment, we have prioritized mangrove reforestation in Barangay Minanga, Buayan, General Santos. During the 2023 and 2024 planting seasons, a total of 43,250

mangrove propagules and seedlings were successfully planted, in accordance with the Work and Financial Plan (WFP) designated for each site.

Moreover, Petron's "Puno ng Buhay" program continues to advance mangrove restoration in Abucay, Bataan, as part of our efforts to strengthen environmental conservation and community resilience. In collaboration with the Abucay LGU, DENR, and local stakeholders, the initiative restores coastal ecosystems, enhances biodiversity, and provides sustainable livelihoods for fisherfolk. Our efforts include expanding mangrove forests, establishing seedling nurseries, and fostering community engagement, reinforcing Petron's commitment to sustainability.

Over the past year, the project achieved a 70% mangrove survival rate, reflecting improved planting techniques and community dedication. Biodiversity gains were evident, with fishermen reporting increased and more diverse fish populations, while strengthened coastal defenses underscored the initiative's impact. Through DENR's Project TRANSFORM, government-private sector collaboration engaged 400 fisherfolk in restoration efforts. Despite the occurrence of typhoons, red tides, and resource constraints, the initiative adapts through enhanced funding, capacity-building, and scientific assessments. The annual meeting, scheduled every December, facilitated discussions on challenges and future strategies.

Looking ahead, the program will emphasize comprehensive mangrove profiling for better monitoring and eco-tourism development. Addressing red tide, pest infestations, and other ecological threats remains a priority, with DENR and environmental experts playing a key role. Petron's continued financial support, combined with LGU expertise, will drive sustainability efforts. Our workshops and feedback mechanisms will maintain community engagement, fostering climate resilience and long-term socio-economic benefits. The 2024 progress reflects a strategic, community-driven approach to coastal resilience and demonstrate the power of partnerships in safeguarding vital ecosystems.



Climate Resilience

GRI 3-3, 302-3, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7

Topic 11.1 GHG emissions

Topic 11.2 Climate adaptation, resilience, and transition

Topic 11.3 Air emissions

Our approach

The growing urgency to address climate change is reshaping the socio-economic landscape, including the business sector. Emissions from the oil and gas industry contribute to GHG accumulation, driving climate-related impacts such as rising temperatures, shifting weather patterns, and more frequent extreme weather events. These changes disrupt livelihoods and economic growth, posing significant challenges to communities. As a key player in the oil sector, we acknowledge the direct impact of our operations on the environment and the communities we serve. This underscores our commitment to aligning with global climate action goals and integrating sustainable practices into our operations.

For Petron, addressing emissions is both a responsibility and a strategic imperative for remaining resilient and competitive in a transitioning low-carbon economy. In line with our commitments, we continue to prioritize initiatives that reduce GHG emissions, including improving energy efficiency across our facilities, advancing renewable energy integration, and supporting nature-based solutions like reforestation. These actions reinforce our dedication to minimizing our environmental footprint while ensuring long-term operational sustainability.

We are continuously embedding climate-conscious strategies into our business processes, focusing on carbon sequestration, conservation, and substitution. As part of this commitment, we have undertaken mangrove reforestation initiatives as a key carbon sequestration strategy, alongside tree-planting campaigns and other environmental efforts. These collective actions not only help reduce our carbon footprint but also enhance biodiversity and strengthen key ecosystems.

In line with our climate goals, we are committed to reducing our reliance on fossil fuels by expanding the role of renewable energy in our energy mix. As part of this effort, we are increasing the use of solar power across our facilities, including our refinery, terminals, and service stations. Integrating renewable energy sources not only lowers the carbon intensity of our operations but also strengthens our long-term sustainability objectives.

Our Refinery in Bataan remains at the forefront of our emission reduction efforts. Through continuous technological advancements and process optimization, we have achieved significant reductions in flue gas emissions and enhanced waste heat recovery systems. These initiatives align with both national and international environmental standards, contributing to lower emissions across our operations.

At our Terminals, we continue to implement measures to reduce fugitive emissions, improve fuel efficiency, and uphold the highest levels of safety and environmental stewardship. This includes regular monitoring of emission levels and the implementation of corrective actions as necessary.

We are also enhancing emission management at our service stations by actively exploring the introduction of cleaner fuel options, such as low-sulfur fuels, and adopting energy-efficient practices. These efforts help minimize the environmental impact of our service stations while supporting the transition to more sustainable fuel solutions.

As the world moves toward more cleaner energy solutions, we are also making our strides to support the shift to sustainable mobility.

Our progress

Direct (Scope 1) GHG emissions and Energy indirect (Scope 2) GHG emissions

In 2024, our total GHG emissions amounted to 3,530,341.34 tons of carbon dioxide equivalent (tCO₂e). Our Scope 1 emissions totaled 3,491,360.78 tCO₂e, reflecting an 11.93% decrease from our 2023-reported emissions. This reduction was primarily driven by operational efficiencies at our Refinery, including enhanced process optimization and fuel management strategies that lowered overall fuel consumption.

Meanwhile, our Scope 2 emissions had a significant reduction of 26.86%, dropping from 53,293.25 tCO₂e in 2023 to 38,987.93 tCO₂e in 2024. This was largely due to our continued shift towards self-sustained energy generation, made possible by the full integration of our Phase 3 co-generation facility. This facility further minimized our reliance on imported electricity, allowing us to optimize energy use within our operations. Additionally, the expansion of solar-powered lighting at our terminals and facilities contributed to reducing our electricity demand.

Moving forward, we remain committed to refining our sustainability strategies. By investing in cleaner technologies, optimizing energy use, and working closely with our suppliers and customers, we aim to make further strides in reducing our carbon footprint while ensuring operational efficiency.

Scope 1 and 2 GHG emissions (in MT, CO ₂ e)			
Requirements	2024	2023	2022
Gross Direct (Scope 1)	3,491,360.78	3,964,260.97	3,561,286
Gross location-based energy indirect (Scope 2)	38,987.93	53,293.25	64,992
Total GHG Emissions	3,530,348.71	4,017,554.22	3,626,278
Biogenic CO ₂ emissions	122.65	152.65	503.80

Energy intensity			
Facility	2024	2023	2022
Refinery	419 GJ / MB Crude Processed	454 GJ / MB Crude Processed	497 GJ / MB Crude Processed
Co-Generation Facility	3.16 GJ / MWH	3.05 GJ / MWH	3.22 GJ / MWH
Integrated (Refinery + Co-Generation Facility)	649 GJ / MB Crude Processed	684 GJ / MB Crude Processed	717 GJ / MB Crude Processed

GHG emissions intensity			
Facility	2024	2023	2022
Refinery	27.08 Tons/MB Crude Processed	30.42 tCO ₂ e / MB Crude Processed	33.8 tCO ₂ e / MB Crude Processed
Co-Generation Facility	0.321 Tons/MWH	0.31 tCO ₂ e/MWH	0.34 tCO ₂ e/MWH
Integrated (Refinery + Co-Generation Facility)	50.49 tCO ₂ e / MB Crude Processed	54.01 tCO ₂ e / MB Crude Processed	58.1 tCO ₂ e / MB Crude Processed

Our continued focus on energy efficiency has led to a further reduction in energy intensity. In 2024, the Refinery's energy intensity improved to 419 GJ/MB of Crude Processed, down from 454 GJ/MB in 2023. The Co-Generation Facility achieved an energy intensity of 3.16 GJ/MWh, contributing to a combined energy intensity (Refinery + Co-Generation Facility) of 649 GJ/MB of Crude Processed.

A key factor in this progress was the commissioning of a more efficient co-generation facility in Phase 3, which replaced the Refinery's thermal power plant. This facility simultaneously generates both steam and power, producing high-pressure steam at 1,800 psi—significantly higher than the previous system's 600 psi. Additionally, it optimizes energy use by repurposing excess low-pressure, low-temperature steam to preheat water, thereby reducing the fuel required for steam generation. These advancements not only enhance energy efficiency but also contribute to lower GHG emissions from fuel combustion.

In 2024, we have continuously reduced our GHG emissions intensity. Our Refinery's emissions intensity dropped to 27.08 tCO₂e/MB Crude Processed, a significant improvement from 30.42 tCO₂e/MB Crude Processed in 2023. This marks a 10.98% reduction year-over-year. Similarly, the intensity for our integrated facilities went down by 6.5%, further underscoring our continued efforts to optimize energy use and implement cleaner technologies.

Our Co-Generation Facility recorded a slight uptick of 0.321 tCO₂e/MW in emissions intensity, an increase of 3.5% compared to the previous year, owing to lower utilization of the power plant. While our integrated emissions data is still being assessed, we anticipate a continued downward trend, reflecting the effectiveness of our sustainability strategies in driving operational efficiencies and lowering our carbon footprint.

This progress is the result of several key initiatives, including enhanced energy efficiency measures, increased use of lower-carbon fuels, and process optimizations that have allowed us to lower our fuel consumption and operate more sustainably. By leveraging advanced monitoring systems and upgrading our infrastructure, we have significantly improved our ability to track, manage, and reduce emissions across our operations.

Emissions of ozone-depleting substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

We remain committed to strict compliance with the Philippine Clean Air Act (R.A. 8749) and continue to implement stringent air quality control measures across our operations. As part of our initiatives, we conduct regular third-party emissions testing to ensure adherence to environmental regulations, and our results consistently meet the required standards.

In 2024, our emissions of nitrogen oxides (NOx) and sulfur oxides (SOx) showed notable reductions compared to the previous year. NOx emissions decreased significantly from 1,546.68 MT in 2023 to 963.53 MT in 2024. Similarly, SOx emissions declined from 15,341.90 MT in 2023 to 11,177.31 MT in 2024. This improvement can be attributed to improved availability of Sulfur Recovery Units that resulted to lower acid gas flaring.

Our emissions of particulate matter (PM), meanwhile, rose from 159.17 MT in 2023 to 257.64 MT in 2024. While this increase is noted, we are actively managing it through continuous monitoring and control measures to minimize particulate dispersion. Additionally, air conditioning units in our offices use ozone-depleting substances (ODS) solely as refrigerants, generating negligible fugitive emissions.

Emissions of ozone-depleting substances (ODS), nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions (in MT)			
Requirements	2024	2023	2022
NOx	963.53	1,546.68	1,886.31
SOx	11,177.31	15,341.90	9,334.00
Persistent organic pollutants (POP)	0	0	0
Volatile organic compounds (VOC)	0	NOT BEING MEASURED	NOT BEING MEASURED
Hazardous air pollutants (HAP)	0	NOT BEING MEASURED	NOT BEING MEASURED
Particulate matter (PM)	257.64	159.17	444.83

Fueling an Energy-Efficient Future

In 2024, we inaugurated our first Electric Vehicle (EV) Charging Station, located at the Petron Express Center (PEC 1) along the northbound side of NLEX in Marilao, Bulacan. This premier EV charger delivers an output of 60 kilowatts through CCS2 and CHAdeMO compatible connectors, generally enabling a full charge in under two hours. This innovation not only supports the growing demand for EV infrastructure in the Philippines but also redefines energy consumption practices at service stations. With Petron's extensive retail network, we envision providing accessible and convenient EV charging infrastructure for our communities, making clean transport a feasible option. Petron currently has a partnership with auto giant BMW to install AC EV Chargers in selected expressway stations. Particularly, our PEC 2 Expressway station in Balagtas, Bulacan has two operational BMW 22 KW AC EV chargers.

Moreover, we contribute to broader goals of reducing carbon emissions and mitigating risks associated with climate change. In doing so, we also enhance our financial value through achieving cost savings and expanding our services to accommodate the dynamic shift in consumer preferences, allowing us to proactively respond to emerging industry trends.

We opened our first electric vehicle charging station at the Petron mega station in Marilao, Bulacan, marking a series of EV stations we plan to establish in the country.



FEATURE STORY



Puno ng Buhay: Effectively Measuring and Managing Our Environmental Footprint

"Puno" translated into English can take on either of these two meanings: *full*, or *tree*. Thus Petron's reforestation program **PUNO NG BUHAY** is fittingly named: the mangroves and trees we plant are life-giving, life-saving, and life-nurturing, as they provide the lungs for our planet to breathe better, absorb the carbon that fills the air, and provide food, shelter, and clothing—all of life's essentials.

For Petron, *Puno ng Buhay* takes on a greater sense of importance as we look to reforestation to help us minimize our environmental footprint while supporting our broader commitment to climate change mitigation. Since 2016, we have been partnering with our stakeholders in communities where we are present to identify areas for us to plant trees. Since then, our collaboration with the DENR, local governments, and people's organizations has given us a total of 55 hectares in Luzon, Visayas, and Mindanao. We are not limited to just planting the propagules and seedlings, but to also ensure their protection and, where possible, expand areas for reforestation.

Vital to this task is ensuring that we put the science behind our reforestation efforts. Throughout 2024, we laid the groundwork to engage the University of the Philippines Los Baños-College of Forestry and Natural Resources (UPLB-CFNR), through the UPLB Foundation Inc. in a five-year partnership with the goal of quantifying the carbon sequestration (C-sequestration) rates at our reforestation sites. Drawing on UPLB-CFNR's expertise in Forest Carbon Analysis, GIS/Remote Sensing, and Mangrove Silviculture, the initiative will establish a baseline inventory of plant species in selected locations across the provinces of Davao, Roxas, and Bulacan, with the first C-sequestration report expected by late 2025. The processed data will then be submitted to the DENR for certification through their Carbon Accounting Verification and Certification System (CAVCS). This certification not only validates Petron's carbon sequestration efforts but also enhances the credibility of our environmental initiatives, as this will also allow us to better evaluate our sustainability performance and further refine our reforestation strategies and targets.

The partnership with UPLB-CFNR is more than just a strategic collaboration; it is a vision for the future – we are also tapping into their expertise to identify more potential forest sites (coastal and upland), such as in Bataan, to expand and improve our GHG reduction goals and integrate environmental resilience into our operational planning.



Waste Circularity

GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5
Topic 11.5 Waste
Topic 11.8 Asset integrity and critical incident management

Our approach

Optimizing waste management enhances operational efficiency and ensures regulatory compliance. We are committed to reducing waste generation and strengthening our waste recovery efforts. Recognizing that rapid waste accumulation can disrupt operations and impact the well-being of neighboring communities, we prioritize efficient waste management as a core aspect of our sustainability strategy. Despite our extensive operational scale, we implement initiatives to minimize waste output, prevent environmental degradation, and promote the health and development of surrounding communities.

Our commitment to waste reduction extends beyond our internal operations through strict adherence to our "no single-use plastic" policy. This initiative has significantly reduced the environmental impact associated with disposable plastics across our facilities. Our recycling initiatives further support sustainability by repurposing materials such as tires, plastic bottles, and drums into plant pots, promoting sustainable gardening and landscaping within our sites. Additionally, we enhance our concrete mix for non-load-bearing pavement by integrating shredded waste and plastic seals, demonstrating our dedication to circular economy principles. Each of our operational sites features Material Recovery Facilities (MRFs) for the temporary staging of segregated solid waste, alongside compost pits that utilize organic waste for gardening purposes. Effective waste segregation plays a crucial role in strengthening our overall waste management strategy, ensuring compliance with environmental regulations while fostering responsible resource utilization. Beyond our facilities, we actively participate in coastal clean-up campaigns, reinforcing our commitment to reducing marine pollution and protecting biodiversity in our surrounding communities.



Responsible hazardous waste management is imperative to our efforts, particularly at our Refinery, where most of our hazardous waste is generated. Through our Refinery, we have implemented a dedicated program to recover spent materials for use as fuel in our power plant, reducing waste while optimizing resource efficiency. Project Solhaze further strengthens our waste management approach by analyzing hazardous waste streams and identifying reduction opportunities. Key initiatives under this program include dewatering waste sludge to reduce volume, optimizing the phenolic caustic treatment unit to eliminate off-site disposal, and repurposing oily sludge in the delayed coker unit. Additionally, we continue to enhance hazardous waste management practices to improve operational efficiency and minimize environmental impact.

Our progress

Waste generated

In 2024, our waste generation totaled 15,149.20 MT, encompassing both hazardous and non-hazardous waste, and reflects an increase compared to 2023. The increase in hazardous waste generation is attributable to the refinery turn-around, which generated non-recoverable waste oil. The hazardous waste generated by our operations consists of waste oily sludge and oil contaminated. In contrast, spent materials primarily contribute to our non-hazardous waste. For other waste types, there have been no significant changes in the annual rates of waste generation.

Waste generated (in MT)			
Requirements	2024	2023	2022
Hazardous waste	11,999.36	4,584.34	7,453.78
Non-hazardous waste	3,149.84	2,843.91	4,426.39
Total	15,149.20	7,428.25	11,880.17

Waste diverted from disposal and waste directed to disposal

While the amount of waste generation has drastically increased, we took a proactive stance in diverting hazardous and non-hazardous waste from disposal through our recycling initiatives. In 2024, 3,833 MT of hazardous waste were diverted from disposal. The disposal costs for hazardous waste represent a significant portion of our total waste management expenditure. Our ongoing initiatives at the Refinery yielded considerable cost savings, estimated at approximately ₱20.85 million in 2024. For non-hazardous waste, we successfully diverted 394.37 MT of non-hazardous waste generated from disposal.

Waste diverted from disposal by recovery operations (in MT)			
	Onsite	Offsite	Total
Hazardous waste			
Preparation for reuse	0	56.00	56.00
Recycling	3,777.00	0	3,777.00
Other recovery operations	0	0	0
Total			3,833.00
Non-hazardous waste			
Preparation for reuse	89.80	0	89.80
Recycling	141.69	129.15	270.84
Other recovery operations	33.64	0.09	33.73
Total			394.37

Waste directed to disposal by disposal operations (in MT)			
	Onsite	Offsite	Total
Hazardous waste			
Incineration (with energy recovery)	0	123.00	123.00
Incineration (without energy recovery)	0	0	0
Landfilling	0	0	0
Other disposal operations	0	6,459.41	6,459.41
Total			6,582.41
Non-hazardous waste			
Incineration (with energy recovery)	0	56.00	56.00
Incineration (without energy recovery)	0	0	0
Landfilling	612.23	2,087.24	2,699.47
Other disposal operations	0	0	0
Total			2,755.47

FEATURE STORY



Elevating Circular Economy Practices in Our New Lube Oil Blending Plant

At Petron, sustainability is an evolving commitment to reducing environmental impact while enhancing operational efficiency. One of our facilities, the New Lube Oil Blending Plant (NLOBP), embodies this vision by integrating responsible resource utilization, waste minimization, and energy efficiency into its state-of-the-art design. Through innovative production processes and circular economy principles, NLOBP underscores our dedication to a more sustainable future.

At the heart of NLOBP is an integrated approach that prioritizes reuse, recycling, and resource efficiency. Empty drums previously used for additives and raw materials are reconditioned and reused, significantly cutting down the demand for virgin raw materials while reducing our carbon footprint. By classifying drums into Class A and Class B for reconditioning or recycling, we reinforce our commitment to circularity. Additionally, carton boxes from the delivery of our new lube containers are returned to our suppliers for reuse. Our efforts in packaging sustainability continue to advance with lightweight container designs, stand-up pouches,

and the use of post-consumer resins (PCRs), aligning with the EPR Law. We have set a bold target in our five-year roadmap, aiming for an 80% reduction in plastic packaging footprint by 2028.

The Petron Ecowatch Program plays a critical role in monitoring and improving environmental performance across our facilities. By tracking key metrics such as CO₂ absorption, wastewater reduction, and recycling rates, we ensure our sustainability targets are met while continuously refining best practices. This initiative also strengthens our compliance with the EPR Law, reinforcing Petron's leadership in corporate environmental responsibility.

Beyond waste reduction and recycling, NLOBP has been designed to optimize production processes, reduce costs, and improve efficiency. The Simultaneous Metering Blending (SMB) system enhances precision in blending operations, preventing material waste and ensuring consistent product quality. Automated filling lines and robotics streamline operations by reducing labor-intensive tasks, further minimizing the plant's environmental footprint.

Like any large-scale sustainability initiative, implementing programs in NLOBP has come with challenges, particularly in recycling processes and stakeholder engagement. However, we have proactively addressed these issues through targeted education programs, community engagement efforts, and continuous process optimization. By maintaining transparency and fostering collaboration, we continue to strengthen our commitment to sustainable business practices.

Looking ahead, we remain steadfast in expanding our sustainability initiatives. By increasing the integration of recycled materials across our operations and continuously refining our environmental strategies, we are well-positioned to achieve our long-term sustainability goals. Through innovation, resource efficiency, and responsible production, we are setting new benchmarks in environmental stewardship. By investing in sustainable technologies and industry-leading best practices, we reaffirm our ambition in energy sustainability, driving meaningful progress toward a greener future.

Deepening Our Impact on Social Responsibility



Every step we take brings us closer to a more sustainable and prosperous future. At the heart of this progress are our employees—the driving force behind our success—bringing dedication, expertise, and a shared vision to everything we do. Their collective efforts not only fuel national growth but also create lasting value for our company and the broader socio-economic landscape.

This journey is not ours alone. By strengthening our partnerships with stakeholders, we expand our impact, championing a collaborative agenda rooted in resilience and inclusive development. Together, we move forward—toward a future shaped by innovation, excellence, and shared success.



Workplace Excellence

GRI 2-7, 2-8, 3-3, 401-1, 401-2, 401-3

Topic 11.10 Employment practices

Topic 11.11 Non-discrimination and equal opportunity

Our approach

As we aim to be the employer of choice in the oil industry, we take immense pride in upholding the highest employment standards. Our commitment extends beyond compliance, offering competitive compensation and benefits that exceed mandatory government requirements—reinforcing our dedication to employee well-being. We prioritize excellence in talent selection and foster an environment where our workforce can grow, thrive, and succeed.

Our Human Resources Management Department (HRMD) leads strategic talent attraction initiatives, utilizing rigorous screening processes to identify candidates who not only meet job requirements but also align with our company's culture and values. We integrate human rights principles into our HR policies, ensuring a fair, inclusive, and supportive workplace that safeguards employee welfare.

We believe open communication is essential to a strong and cohesive work environment. Employees are encouraged to voice their concerns in a secure and supportive setting. Our Labor Relations Officer and Legal Team handle workplace matters with professionalism, ensuring due process and adherence to company policies.

To enhance employee engagement, we leverage various evaluation tools, including learning assessments, program reviews, and annual performance appraisals. These mechanisms align individual achievements with company goals while providing continuous feedback through one-on-one meetings between staff and supervisors. We systematically document employee feedback and use it to refine policies and programs, driving continuous improvement.

We are committed to upholding General Labor Standards in collaboration with our business partners, including third-party service providers (TPSPs). Regular labor compliance audits verify adherence to labor laws, while the Department of Labor and Employment (DOLE) wage orders issued in 2023 are promptly implemented across all affected terminals and offices.

By fostering a culture of excellence, fairness, and continuous growth, we strengthen our workforce and build a sustainable future—one where our employees and stakeholders thrive together.

Our progress

Our platform in the industry allows us to work with employees from different backgrounds and locations nationwide. As of 2024, we contracted with TPSP a total of 4,112 employees and 26 direct hires for security, utility, plant maintenance and repair, and janitorial staff.

We engage TPSPs on a project-by-project basis, depending on the expertise required for our operations. Nationwide, we have an average of 37 TPSP employees in the Refinery, plant, and facility every month, depending on the project. They can be assigned to ground maintenance and repair in terminals/depots at the Refinery, as well as for utility, janitorial, mailing, or security services.

Moreover, we employed 18 consultants and engaged 25 project hires, whose work is controlled by our Company, but not our employees.

Total number of employees (by region)	
Category	Number
National Capital Region	985
South Luzon	54
North Luzon	1,007
Visayas	162
Mindanao	135

* Headcount does not include employees from Petron subsidiaries, which are not part of the reporting boundaries. Total employee headcount including subsidiaries is 3,410.



Total number of employees (by gender)	
Full-time employees (regular and probationary)	
Male	1,645
Female	698
Temporary employees (EWFP, project employees, direct hires)	
Male	18
Female	7
Consultants	
Male	9
Female	9

* Headcount does not include employees from Petron subsidiaries, which are not part of the reporting boundaries. Total employee headcount including subsidiaries is 3,410.

New employee hires and turnover

Our turnover is at 6.4%, better than the 10.7% rate in 2023. This reflects our recognition of our employees as valuable assets to our Company. Furthermore, we have a total of 321 new employee hires in 2024, categorized according to number, gender, age, and region.

New employee hires		
Category	Number	Percentage
By gender		
Male	201	62.62
Female	120	37.38
By age		
Under 30 years old	276	85.98
30-50 years old	45	14.02
Over 50 years old	0	0
By region		
National Capital Region	173	53.89
South Luzon	5	1.56
North Luzon	93	28.97
Visayas	33	10.28
Mindanao	17	5.30

Employee turnover		
Category	Number	Percentage
By gender		
Male	161	69.70
Female	70	30.30
By age		
Under 30 years old	112	48.48
30-50 years old	86	37.23
Over 50 years old	33	14.29
By region		
National Capital Region	118	51.10
South Luzon	1	0.40
North Luzon	89	38.50
Visayas	15	6.50
Mindanao	8	3.50

Benefits provided to full-time employees that are not provided to temporary or part-time employees

Beyond the required benefits by the government, we are proud of our provided comprehensive benefits package to our full-time employees that covers healthcare, retirement plans, and leave options. This showcases our commitment to prioritizing employee well-being in the endeavors of Petron's human capital development.

- Life, Accident, and Corporate Travel
- Group Health Care Plan
- Permanent Disability
- Maternity, Paternity, and Solo Parent Leaves
- Retirement Benefits

Parental leave

Our Company ensures compliance with relevant laws and regulations concerning parental leave, which mandate 105 days for female workers and seven days for male workers. All our employees are entitled to parental leave, and a total of 110 availed of this benefit in 2024. For this reporting period, we have a 100% return to work rate and 87.72% retention rate for employees who took parental leave in 2024. These reflect our dedication to cultivate not only the professional development of our employees but also allowing them to prioritize their personal and family development.

Requirement	Male	Female
Total number of employees that were entitled to parental leave	1,492	699
Total number of employees that took parental leave	72	38
Total number of employees that returned to work in the reporting period after parental leave ended	48	34
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	57	43

Women Engineers Driving Innovation



Scaling a 100-meter refinery structure is no easy feat, but for Charlotte Louise Egos, a Petron engineer, it is just another day at work. In a traditionally male-dominated industry, women at Petron are breaking barriers, proving that gender is no obstacle to success. In 2024, we continue to champion diversity and inclusion, empowering women engineers to thrive in an environment that values skills, innovation, and equal opportunities.

Our commitment to diversity goes beyond words—it is embedded in action. We foster a workplace where gender equality, empowerment, and community engagement are not just encouraged but celebrated. Particularly in the traditionally male-dominated work environment of the Refinery, 121 women comprise its 879-strong workforce. Female engineers continued to be a regular, if not growing presence, in PBR, with 84 or 9.6% of the total complement of engineers working in refinery's various process units and operating facilities. This commitment is reflected in the experiences of our talented female engineers, each of whom has a unique story of resilience, achievement, and ambition.

Charlotte's journey into engineering was inspired by her brother, sparking her passion for the field. *"For women, the question often becomes what type of engineering? Petron has shown me there are no limits,"* she shares. Her experience inspecting a 100-meter structure at PBR tested both her physical and mental resilience, reinforcing her belief that women can excel in this field. *"It's rewarding to see what I'm capable of,"* she adds. Petron's support extends beyond the workplace, fostering a culture of encouragement and shared success.

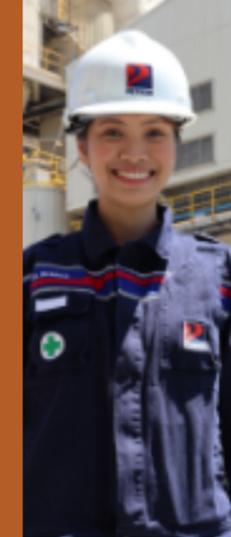
For Ayra Patricia Palad, an Environmental Engineer, joining Petron was not just a career move—it was a calling. *"Even the smallest efforts make a greater impact on the people around us,"* she says. Her passion for environmental sustainability fuels her



Charlotte Louise M. Egos
TSD Energy



Ayra Patricia B. Palad
SSD Environmental Operations



Aira May G. de Rosas
RP&S Operations Planning



Charmaine C. Hortado
TSD Process Engineering



Maridil Joy B. Isidro
RSFFPP Plant Services

work, knowing that her contributions at Petron drive meaningful change. While acknowledging the challenges of working in a male-dominated industry, she highlights how Petron has provided her with the support and opportunities to excel. *"Petron provides equal opportunities for all and evaluates capabilities based on skills and performance, not gender,"* she affirms.

Aira May de Rosas, an OPEX Engineer, shares how Petron's inclusive culture helped her overcome initial doubts. At Petron, gender is never a barrier—she is treated as an equal by her colleagues. *"It's fulfilling to see impactful proposals receive funding,"* Aira says, emphasizing that empowerment extends beyond professional growth; it enables individuals to turn aspirations into tangible achievements. Though working alongside experienced maintenance professionals was initially daunting, her enthusiasm to learn and improve pushed her forward. She expresses her gratitude for Petron's scholarship program, which played a crucial role in supporting her education and shaping her career.

Similarly, Charmaine Hortado, a Process Engineer, was inspired by her father's engineering career and pursued the field to tackle real-world challenges.

"Solving current issues at work is what makes this job rewarding," she explains. Charmaine never felt limited by her gender; instead, she credits Petron's supportive environment for building her confidence and career growth. Fueled by passion and opportunity, she is focused on achieving even greater milestones in her field.

Despite the progress made, breaking barriers in engineering remains an ongoing effort. Maridil Joy Isidro, a *Tulong Aral ng Petron* scholar from grade school to college, underscores the importance of focusing on skills rather than gender. *"It's about how you think and troubleshoot problems,"* she says, adding that diversity fosters innovation and drives progress in industries traditionally dominated by men. Thriving in this field requires cementing one's presence and believing in the ability of women to achieve the same successes as men.

Petron understands that diversity is more than just representation, it is integral to business success. Embracing diversity fosters innovation, enhances problem-solving, and improves operational efficiency—key drivers of our company's growth.

To reinforce this commitment, we actively engage with our female engineers by celebrating International Women's Day and promoting increased representation in leadership roles across technical services, operations, and maintenance. These efforts reflect our dedication to continuous improvement and empowering women at all levels of the organization.

As we look to the future, the stories of these women serve as both inspiration and proof that inclusion drives progress. *"Wag matakot, kaya ng lalaki, kaya mo naman"* ("Don't be afraid—what a man can do, you can do too"), Maridil asserts. Their journeys, fueled by Petron's support and their own determination, represent a shift toward a more inclusive industry. Petron's sustainability agenda is not just a slogan—it is a commitment to action, ensuring that the engineering landscape continues to evolve, one empowered woman at a time.



Strong Labor–Management Relations

GRI 2-30, 3-3, 402-1

Topic 11.7 Closure and rehabilitation

Topic 11.10 Employment practices

Our approach

Effective labor-management relations are essential to our operational success and the creation of a cooperative workplace. We cultivate a culture of trust and respect that enhances productivity and innovation by fostering open communication and employee engagement. Encouraging employees to participate in decision-making ensures their concerns are heard and addressed proactively, leading to higher job satisfaction and retention.

Strong labor-management relations not only optimize internal operations but also contribute to the overall stability of the oil sector. This stability is vital because it directly impacts local economies and maintains investor confidence. Through collaboration, we effectively balance operational demands while maintaining a firm commitment to safety, security, and environmental standards. This approach strengthens our market position and reinforces our commitment to sustainable growth and responsible corporate governance.

To support a harmonious and efficient work environment, we have implemented robust mechanisms for communication and grievance resolution. These efforts align with the labor standards set by DOLE and adhere to global best practices in labor relations.

At the Refinery, we conduct regular labor-management meetings to address workforce concerns collaboratively. Focus group discussions and team-building activities are organized to foster teamwork and enhance operational efficiency. Our training programs are also tailored to equip refinery workers with the latest industry advancements and reinforce safety protocols.

In our Terminals, we leverage platforms such as PETHUB and Microsoft (MS) Teams to facilitate clear and transparent communication. These tools enable efficient dissemination of operational updates, safety guidelines, and company initiatives. Regular inter-departmental meetings further ensure the alignment of objectives and the proactive resolution of potential issues.

We promote a strong sense of belonging and purpose among employees through community-based engagement initiatives across our service station network. Regular check-ins between station operators

and management ensure that frontline staff members' concerns are promptly addressed. We also conduct training programs focused on customer service excellence and workplace safety to enhance service quality and employee well-being.

To further strengthen communication between management and employees, we have invested in various digital platforms such as HRMDListens email, ExchangeAdmin, Viber groups, and MS Teams. These channels streamline information sharing and provide employees with accessible avenues to voice concerns or suggestions. Regular engagement sessions with union representatives ensure that all stakeholder perspectives are considered in decision-making processes.

Our commitment to strong labor-management relations goes beyond compliance; it reflects our dedication to fostering an inclusive and equitable workplace. By prioritizing labor-management relations, we cultivate a resilient and adaptive workforce that aligns with our long-term sustainability goals. Our focus remains on creating an inclusive workplace where every employee's contribution and perspective are valued, driving both individual and organizational success.

Our progress

Petron upholds collective bargaining agreements (CBAs) with three labor unions: (i) the Bataan Refiners Union of the Philippines (BRUP), affiliated with the Philippine Transport and General Workers Organization; (ii) the Petron Employees Labor Union (PELU); and (iii) the Petron Employees Association (PEA), linked to the National Association of Trade Unions. By the end of December 2024, these agreements covered approximately 26% of our Company's workforce in the Philippines. For employees outside the scope of CBAs, we enforce company policies that safeguard their rights and interests.

The duration of CBAs varies based on their provisions. Representation-related aspects remain in effect for five years, while other provisions are valid for three years in accordance with the Philippine Labor Code. As of this year, all CBAs with the three unions remain in force.

To ensure proper communication on operational adjustments, employees under CBAs and their representatives receive at least 16 hours' notice before significant changes take effect; a minimum of seven calendar days' notice is required for cases of employee transfers. The consultation and negotiation process, including the stipulated notification periods, is explicitly outlined in the agreements. These guidelines are

documented in the CBA booklet for transparency and to promote adherence to agreed-upon procedures throughout the agreement's duration.

Petron is also active in other labor relations initiatives through its involvement in the Bataan Industrial Peace Council and the Mandaluyong City Tripartite Industrial Peace Council. These engagements serve as key platforms for collaboration, discussion, and knowledge-sharing. By participating in these councils, the Company stays updated on relevant labor advisories and regulatory changes, enabling it to respond effectively to the evolving needs of its workforce.



Safety-Driven Workplace

GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

Topic 11.9 Occupational health and safety

Our approach

Safety in the workplace is deeply embedded in Petron's culture and mission. As we deliver quality products and services to our customers, we ensure that our employees operate in a safe and conducive work environment.

To continuously improve our overall safety performance, we implement a robust Occupational Health and Safety (OHS) Management System that extends to all employees, contractors, and workers. This system undergoes thorough internal and external audits and is verified through certifications from third-party experts.

For our employees, we conduct regular orientations to reinforce safety awareness and emphasize the importance of strict adherence to safety and health protocols. We also update our safety programs, guidelines and procedures, and policies. Our safety manual includes programs focused on preventing or mitigating significant occupational health and safety risks. Additionally, we enhance the competencies of our employees and contractors in emergency preparedness, equipping them to proactively identify and manage potential risks and unforeseen events.

All of our OHS management systems are implemented company-wide to ensure consistent compliance with government standards, including but not limited to the following:

- Philippine Occupational Safety and Health Standards
- Department Order 198-18 Implementing Rules and Regulations of RA No. 11058 entitled "An Act Strengthening Compliance with Occupational Safety and Health Standards and Providing Penalties for Violations Thereof"
- R.A. No. 9514 or The Fire Code of the Philippines
- Department of Energy's (DOE) Philippine National Standards on Petroleum
- Philippine Mechanical Engineering Code
- Philippine Electrical Code
- National Oil Spill Contingency Plan (NOSCOP)
- Occupational Safety and Health Administration (OSHA) Standards
- National Fire Protection Association (NFPA) Standards
- American Petroleum Institute (API) Standards
- American National Standards Institute (ANSI) Standards
- International Safety Guide for Oil Tankers and Terminals (ISGOTT)

Beyond compliance, we are committed to cultivating a safety-driven culture through various programs, measures, and initiatives. We offer opportunities for OSH-related consultations and promote a safety-conscious workplace. Notable programs include:

- Health and Safety Advisories
- KamOSHtahan sa Terminal
- Townhall Meetings
- Petron Safety Council Meetings
- SMC HOC Safety Committee Meetings
- SMC Safety Council Meetings
- HSE Coordination Meetings
- Toolbox Meetings
- Contractor Safety Meetings

Our safety programs undergo regular internal and external audits, including:

- Oversight Safety Inspections conducted by the CTSG Safety DOLE Accredited OSH Consultants, Practitioners, and Safety Officers
- IMS Audit conducted by Internal and External ISO accredited auditors
- Multifunctional Audits conducted by SMC-CTA
- Government inspections conducted by DOLE, BFP, PCG, and DOE

In addition to audits, we actively engage employees in developing, implementing, and evaluating our OHS management system through consultations, initiatives (e.g., KamOSHtahan sa Terminal), and health and safety advisories. Additionally, formal joint management-worker health and safety committees convene monthly.

Our progress

We take pride in sharing that 100% of our 2,344 non-employee workers are included in our OHS Management System. Additionally, all workers undergo internal and external audits or certifications by third-party entities.

To identify, assess, and manage work-related risks and hazards in the workplace, we employ a systems-based OHS Management approach, which includes:

- Hazard Identification Risk Assessment and Control (HIRAC)
- Hazard and Operability (HAZOP) Study
- Human Organizational Performance (HOP)
- Behavior-Based Safety (BBS)
- Job Hazard Analysis (JHA) / Job Safety Analysis (JSA)
- Work Permit System (WPS)
- Contractor Safety Management (CSM)
- Accident/Incident Investigation
- Root Cause Analysis

As a result of our assessment, we have identified the following types of work-related injuries among our employees and workers:

Main types of work-related injury for employees and workers

- Stepping on, striking against, or being struck by objects
- Being caught in between objects
- Slips, trips, and falls
- Exposure to or contact with harmful substance
- Exposure to or contact with extreme temperature
- Overexertion
- Animal bite

We implement various preventive measures, including eliminating identified hazards, replacing obsolete equipment, designing facilities based on safety standards, and providing Personal Protective Equipment (PPE) to mitigate risks and enhance workplace safety. We also utilize HOP incident alerts, BBS alerts, and conduct incident and accident investigation.

In the event of an incident or accident, immediate investigations are conducted by relevant groups. Moreover, our Petron Safety groups, such as CTSG Safety, OPS-HSSE, PBR Safety, Retail Engineering and Network Development Safety, Industrial Safety, Fleet Safety, and Marine Safety conduct a separate revalidation investigation.

For this reporting period, we recorded 50 work-related injuries among our employees and workers, with 3 classified as high-consequence. These were a result of various mishaps that included slips or falls, unintentional exposure to harmful substances or extreme temperatures, among others.

Work-related injuries and work-related ill-health		
Requirement	Employees	Workers who are not employees but whose work and/or workplace is controlled by the organization
Number of fatalities as a result of work-related injury	0	0
Number of high-consequence work-related injuries	2	1
Number of recordable work-related injuries	22	28
Number of fatalities as a result of work-related ill health	0	0
Number of cases of recordable work-related ill health	0	0

These incidents were readily identified and carefully assessed through the previously mentioned systems-based OHS Management approach, along with corresponding actions using the hierarchy of controls to address the safety concerns, such as eliminating the identified hazards, replacing of obsolete units that may potentially cause accidents, ensuring that our facilities strictly conform to applicable standards, providing continuous safety trainings and implementing programs such as LPS and BBS Tools, and making sure that we provide our workers with the complete PPEs for their job.

These incidents notwithstanding, we remain committed to continuously enhancing our OHS Management System to ensure the safety and well-being of our employees, workers, contractors, and partners, and encourage their active involvement in our safety programs.

Training and Development for the Future

- GRI 3-3, 404-1, 404-2, 404-3
- Topic 11.7 Closure and rehabilitation
- Topic 11.10 Employment practices
- Topic 11.11 Non-discrimination and equal opportunity

Our approach

Training and education are fundamental to driving our employees toward growth and excellence. By equipping our workforce with the skills and knowledge needed to adapt to the evolving business landscape, we empower them to take confident steps in their personal and professional journeys. In turn, a skilled and motivated workforce strengthens our Company's long-term success. Providing continuous learning and development opportunities ensures that our employees are prepared to tackle challenges, seize opportunities, foster innovation, and contribute meaningfully to our shared goals.

Recognizing that our employees are integral to our operational success, we are committed to fostering their professional development alongside the advancement of our products and services. Our approach begins with a structured new hire orientation and onboarding program that enhances competencies in management, technical expertise, and leadership. We also offer both local and international training programs, which are systematically communicated to all staff through formal training agreements. These modules are designed to align with industry trends and employee needs to ensure effectiveness and measurable outcomes. By incorporating feedback mechanisms and conducting learning assessments, we continuously evaluate the



Training programs, such as "Breaking Through Performance Barriers," further enhance the competencies of our workforce and ensure their continued growth and development.

impact and relevance of these initiatives. Furthermore, performance reviews help identify areas for improvement and growth for each employee.

We facilitate access to a diverse range of professional development programs through our annually published Learning and Development Calendar. In collaboration with our parent company, we also implement in-house and other tailored training initiatives that create opportunities for employees to enhance their skills, maximize their potential, and advance their careers.

Regular transition assistance programs address specific employee needs by offering courses such as Essentials of Supervision and Leadership. We also take pride in grooming our leaders through progression programs, including the Accelerating Leadership Potential, Labor Management, and the Ateneo Leadership Management Development Program (LMDP) for Managers and the AIM Executive Management Development Program (EMDP) for our senior Managers and executives.

As part of our talent development efforts, especially of leadership development, we have established programs on Coaching (Top Emerging Achievers or TEA Program) and Mentoring (Petron Mentoring Program) in 2024, we welcomed new batches of Coachees (TEAs) and Coaches, while for mentoring, a number of divisions have subscribed to the program as an intervention to expedite the development of select high potential employees.

Ensuring the effectiveness of these programs remains a top priority to equip our workforce with the capabilities required to meet evolving business demands.

Our progress

We have implemented a comprehensive performance and career development review process, ensuring that 100% of our employees participate regularly. In 2024, we had an average of 198.42 training hours for male employees and an average of 137.65 training hours for female employees. This initiative is part of our commitment to providing equal opportunities for professional growth and development across the organization. We are dedicated to fostering an inclusive environment that supports the advancement of all employees.

Training hours by gender			
Category	Total number of training hours	Number of employees	Average training hours
Male	326,415	1,645	198.42
Female	96,083	698	137.65

Employee training in 2024 encompassed a wide range of learning initiatives, including: (1) on-the-job training for all probationary hires during the year; (2) documented training hours under the Education Reimbursement Plan (ERP) for grantees with approved reimbursements in 2024; and (3) long-form leadership programs offered through our parent company, such as the one-year Ateneo Leadership and Management Development Program (LMDP) and the five-month Executive Management Development Program (EMDP) at the Asian Institute of Management.

As in previous years, 100% of our employees received regular performance and career development reviews, reinforcing our commitment to personal and professional growth at every level of the organization.

Petron Bataan Refinery also launched the inaugural Refinery Technical Forum (RTF) in 2024 to further advance our workforce development agenda. With the theme “Beyond Boundaries – Sustaining Employee Innovativeness for Refinery Progress,” the forum celebrated the ingenuity and forward-thinking mindset of our technical teams.

The RTF program provided a platform for employees to ideate and present solutions aimed at enhancing performance across four key areas: Operational Excellence; Energy Management and Hydrocarbon Loss Prevention; Environmental Stewardship; and Workplace Safety. A total of 51 breakthrough initiatives were submitted, focusing on refinery growth, cost efficiency, optimized energy use, waste and loss reduction, and



Petron provides strategic interventions to expedite the development of select high potential employees and ensure the seamless succession of the Company's future leaders.

enhanced safety protocols. Three projects from Production B and one from RSFFPP emerged as champions out of the nine finalists.

Beyond serving as a technical showcase, the RTF has also become a catalyst for continuous improvement, a space for challenging industry norms, and a driver of innovation culture within the organization. Set to become an annual event and will continue to be a hub for knowledge exchange and creative problem-solving, the RTF will strengthen our competitive edge and support the sustained leadership of our refinery operations in the Philippine oil industry.



Our pioneering Refinery Technical Forum (RTF) provides a venue for employees to build an innovation culture within the organization and catalyze continuous improvement to greatly enhance Refinery operations.

Basic training	Supervisory	Managerial
<ul style="list-style-type: none"> Petron 101 Raise the Bar Developing Effective Presenters Effective Business Writing Breaking Through Performance Barriers Effective and Assertive Communication Project Management MS Excel - Basic EQ in Action 	<ul style="list-style-type: none"> Petron Professional Excellence Program KT Problem Solving and Decision Making 7 Habits of Highly Effective People Petron Professional Excellence for Leaders Essential of Supervision & Leadership 	<ul style="list-style-type: none"> Labor Management Relations Workshop for Leaders Accelerating Leadership Potential Leadership Management Development Program Ateneo Graduate School of Business x SMC Executive Management Development Program Asian Institute of Management x SMC

Sustained Community Partnerships

GRI 3-3, 413-1, 413-2
Topic 11.15 Local communities

Our approach

Our dedication to community welfare and environmental stewardship aligns with our broader goal of contributing to nation-building. As a leader in the local oil industry, our role extends beyond profitability and operational excellence. We are driven by a vision to create meaningful and lasting impacts on the lives of the Filipino people by championing inclusivity and social well-being.

Building strong and enduring relationships with local communities is a fundamental pillar of our operations and expansion strategy. We prioritize active collaboration with communities near our facilities to ensure that our programs, services, and products address their specific needs. Through our CSR arm, Petron Foundation, Inc., we implement nationwide initiatives focused on education, environmental sustainability, health, human services, livelihoods, and advocacy. These programs are reinforced through partnerships with schools, LGUs, and community organization to enable seamless coordination from planning to execution.

Volunteerism plays a crucial role in our initiatives, with stakeholders actively engaging in programs such as TAP and Brigada Eskwela. We establish performance metrics and conduct regular site visits to ensure alignment with objectives to measure the effectiveness of these efforts. Our data-driven approach includes thorough community assessments to evaluate socio-economic conditions, environmental concerns, and overall impact. These insights help us refine our strategies, mitigate risks, and enhance the safety and well-being of local communities.

Environmental stewardship is embedded in our operations through initiatives such as Petron Ecowatch and SMC's Water for All program. We proactively monitor and manage environmental impacts, including water consumption, emissions, and waste generation, through a robust risk management framework.

Compliance with local and international regulations is ensured through collaboration with LGUs, the DENR, and non-governmental organizations (NGOs). A Multipartite Monitoring Team (MMT) and certified environmental officers oversee adherence to high environmental standards across all service stations. Our community engagement strategy transforms stakeholders into active partners, fostering a sense of ownership and shared responsibility. This participatory approach allows us to tailor initiatives to each community's unique needs, ensuring measurable benefits while upholding ethical practices, particularly in engagements with indigenous groups.

As we continue to drive nation-building and sustainability, we remain committed to refining our programs and strengthening partnerships, particularly in the context of post-pandemic recovery. Our efforts reflect an enduring dedication to fostering resilience, inclusivity, and social well-being, ensuring a lasting positive impact on society.

Our progress

In 2024, we have continued to fuel hope for our local communities through PFI. Our efforts are divided into various thrusts, recognizing the importance of a holistic and integrated approach to supporting our communities.

Education remains at the forefront of our CSR initiatives, with our flagship education program, TAP. In partnership with the DepEd and DSWD, TAP supports deserving children and youth through elementary, high school, and college.

We remain cognizant of our environmental impact and continue our efforts to reduce our carbon footprint. We also contribute to improving the quality of life of our community partners through entrepreneurship programs and health and livelihood services.



As a testament to our dedication, we have achieved the following milestones this year across PFI's key CSR thrusts:

CSR Thrust	2024 Milestones
Education 	<p>Tulong Aral ng Petron</p> <ul style="list-style-type: none"> PFI had over 2,400 TAP scholars from Elementary to College nationwide, including 300 new Grade 1 scholars who came from priority areas as recommended by and in support of Petron's Terminal Operations. Just over 92% of TAP scholars successfully transitioned from grade school to high school, while close to 98% of all TAP scholars stayed in school for the same period. PFI resumed the distribution of school supplies for TAP scholars in SM Stores since the pandemic. Scholars in areas inaccessible to nearby SM department stores had their school supplies distributed in their respective schools. PFI resumed the Best U Can Be life skills program for Petron's high school scholars after pausing it prior to the pandemic. This initiative provides the scholars additional benefit of getting them ready for life post-high school, through developing core skills deemed critical for today's generation: active listening, active reading, effective and concise writing, and effective and empathetic speaking. The workshop designed was developed by AHA! Learning center with activity-driven, class-type sharing and learning sessions not just for our scholars but for their parents as well. The activity also provided opportunities for Petron employee volunteers from different business units of Petron to co-facilitate the activities. We were also joined by some TAP parent volunteers during the whole day activity. <p>Bataan scholarships</p> <ul style="list-style-type: none"> Under the Refinery Engineering scholarship program, Petron supported thirty new Electrical and Mechanical Engineering scholars from Bataan Peninsula State University for the school years 2023-2024 and 2024-2025. Four of its previous graduates in electrical engineering passed the Licensure Board Exam in April and September 2024 and are awaiting the results of their application in Petron for possible hiring. Additionally, 18 recent graduates, including 14 from BS Mechanical Engineering and 4 from BS Electrical Engineering, received support for their upcoming board exams scheduled for February and April 2025. <p>Brigada Eskwela</p> <ul style="list-style-type: none"> PFI continued to support DepEd's Annual <i>Brigada Eskwela</i> National Schools Maintenance Week by donating materials and mobilizing volunteers to clean classrooms or paint tables and chairs in time for the opening of classes. In 2024, we supported 121 public schools nationwide together with some 206 Petron employee volunteers from the Bataan Refinery and Terminal Operations, as well as from Head Office. Additionally, PFI supported the Ready-for-School campaign of the Philippine Business for Social Progress (PBSP) in preparing two public schools in NCR (Rivera Village ES in Pasay City and Placido del Mundo ES in Quezon City).
Entrepreneurship and Livelihood 	<p>Petron Automotive Care Education (ACE)</p> <ul style="list-style-type: none"> PFI revived the Petron Automotive Care Education, or ACE program as another avenue to make PFI's mission of alleviating poverty through education possible. For its initial run, Petron ACE targeted to professionally train and certify automotive mechanics that will serve as a pool of talent for Petron Car Care Centers (CCC) and Lube Bay Stations. In the 3rd quarter of 2024, PFI conducted the first specialized training for automotive servicing together with program partner Don Bosco-One TVET Philippines and Petron Lube Trade. A total of 18 Petron CCCs and Lube Bay personnel from Cebu, Davao, Iloilo, Surigao and Iligan graduated from their six-day training in Cebu City and are in the process of securing their NC-1 and 2 certifications from TESDA. In December 2024, a second batch of 11 trainees from NCR undertook the same specialized training at the Don Bosco Technical Institute in Makati City. <p>Livelihood support for Limay stakeholders</p> <ul style="list-style-type: none"> PFI provided financial assistance to the Carbon-Alangan Upland Farmers Association (CAUFA) in Limay, Bataan to help establish a small-scale piggery and vegetable farming ventures. Twenty-five (25) CAUFA families benefited from this initiative.

CSR Thrust	2024 Milestones
Environment 	<p>Carbon capture and biodiversity conservation</p> <ul style="list-style-type: none"> Through our <i>Puna ng Buhay</i> program, we are continuing to implement long-term reforestation activities in a total of 55 hectares of mangrove areas in: <ul style="list-style-type: none"> Hagonoy, Davao Del Sur - 20 hectares Municipality of Ivisan, Roxas City - 25 hectares Brgy. Salambao, Obando, Bulacan - 10 hectares We likewise secured Management approval to officially engage the University of the Philippines at Los Baños-College of Forestry and Natural Resources and the UPLB Foundation Inc. to undertake carbon sequestration (C-sequestration) measurement. This five-year engagement will have experts from the university on Forest Carbon Analysis, Flora and Fauna, GIS/Remote Sensing, Socioeconomics, and Mangrove Silviculture implementing a science-based assessment of carbon sequestration and avoided emissions specifically for Petron's reforestation sites initially in Davao, Roxas and Bulacan. The first C-sequestration report is expected to come out in 2025. At the same time, PFI continued to support the greening efforts of Operations and Refinery, which collectively planted 36,766 seedlings and mangrove propagules in various activities celebrating Earth Month, Environment Month, and International Coastal Cleanup Day. Additionally, our support to Operations and Refinery for cleanup activities resulted in at least 25 tons of debris removed from approximately 31 kilometers of coastal areas, rivers, and esteros. <p>Bataan Integrated Coastal Management Program (BICMP)</p> <p>We remained actively involved in the implementation of the Bataan Integrated Coastal Management Program, particularly through the efforts of the Petron Bataan Refinery:</p> <ul style="list-style-type: none"> In 2024, 100% of the activities targeted for the year for the five-hectare mangrove conservation project under DENR's Project TRANSFORM was completed. This includes the Fence repair & nipa hut construction, as well as regular monitoring and monthly cleanup activities in the project site in Sitio Bakawan, Abucay, Bataan. Also as part of this project funded by Petron, some 50 members of the partner Peoples Organization—the <i>Samahan ng Mananahong ng Sitio Bakawan</i> – are now benefiting from the recently constructed <i>tahungan</i>, where they now cultivate mussels to sell at the local fish port. Efforts to rehabilitate a 7.5-kilometer fish sanctuary off the coast of Limay resulted in the deployment of nearly 300 artificial reefs, establishment of floating flag markers, and the construction of a floating raft, among others. With the expected nursing of fish in the sanctuary, the 3,600+ fisherfolk in Limay anticipate a bountiful catch in the immediate future. To complement the rehabilitation of the Limay Fish Sanctuary, PFI extended its support to the <i>Samahan ng mga Malilit na Mangingisda ng Barangay Lamao Inc.</i> (SMMBLI) by providing funds for their fishing gear paraphernalia to bolster their livelihood. More than 170 SMMBLI members benefited from this support. Through PFI, we also continued to support the Bataan Pawikan Conservation Alliance Network, primarily with sustained advocacy through the annual Pawikan Festival in Morong. In addition, Petron helped establish a Pawikan hatchery in Bo. Luz in Limay, in partnership with LGU Limay, Brgy. Kitang 2 and Luz and the Bataan Provincial Government. We also remained an active participant in the Pawikan Conservation Alliance Network as a Private Sector Associate Member in Limay.
Health and Human Services 	<p>Petron Clinics</p> <ul style="list-style-type: none"> Petron Clinics in Rosario, Pandacan and Limay remained closed to the community, still partly due to continuing Covid precautions and also as part of re-evaluating the preparedness of the clinics to meet the requirements of DOH Administrative Order 2021-0037 ("New Rules and Regulations Governing the Regulation of Clinical Laboratories in the Philippines"). In the fourth quarter of 2024, the Petron Rosario Clinic renewed its laboratory License to Operate for 2025. <p>Community Engagement</p> <ul style="list-style-type: none"> We continued to monitor our livelihood group under the <i>Sulong Pangkabuhayan</i> (livelihood assistance project). The womenfolk group SALAPI or <i>Samahang Alangan at Lamao para sa Pag-unlad, Inc.</i> has been supplying Petron Bataan Refinery's rag requirements. We also sustained support to the TAP Parents Association of Rosario, Cavite, whose members continued to produce eco-bags made from used Petron tarpaulins. As part of the 1st SMC Sustainability Fair, PFI engaged the group to produce and sell their bags, which netted them ₱18,000 in sales during the two-day event. This has also expanded the potential market for the group, with orders/inquiries coming from SMC group employees. <p>Engaging employees and partners</p> <p>Petron employees continued to take to heart their responsibility to society through active participation in the Volunteers in Action program. Employee volunteers from various divisions in the Company in 2024 participated in the following:</p> <ul style="list-style-type: none"> Cleaning of classrooms in Rivera Village Elementary School, Pasay City TAP school supplies distribution nationwide Co-facilitation of training sessions under the Best U Can Be program for TAP High School scholars Participated in various activities celebrating Earth Month, Environment Month, and International Coastal Cleanup Day Repacking of emergency food rations for calamity victims at the DSWD National Relief Operations Center (NROC) in Pasay <p>Adopt-a-School Program</p> <ul style="list-style-type: none"> Petron's education investments as enrolled under DepEd's Adopt-a-School program since 2006 has totaled to ₱536.6 million and has supported scholarships from elementary to high school, building and repair of classrooms in Petron's host communities nationwide.



Customer Safety and Social Responsibility

GRI 3-3, 416-1, 416-2

Topic 11.3 Air emissions

Our approach

We are steadfast in our commitment to enhancing safety and responsibility across all facets of our operations—from refining to distribution. Given the inherent risks associated with fuel handling and storage, we implement stringent safety measures to protect public health and the environment. Our comprehensive risk management strategy upholds the highest safety standards for our customers while ensuring full compliance with regulatory requirements.

We enforce strict safety protocols at our retail outlets to ensure that employees are well-trained in proper product handling and operational procedures. Additionally, we have expanded customer education programs to promote the safe use of fuels and best practices at service stations. These initiatives are essential in mitigating risks, preventing accidents, and reinforcing a culture of safety across our entire organization, in line with global safety standards.

Our safety framework is anchored in a robust Corporate Safety Management System (CSMS), aligned with international standards such as ISO 45001:2018. This system enables us to systematically manage safety protocols across all operational phases, ensuring not only regulatory compliance but also excellence in protecting stakeholders. Continuous monitoring and proactive risk assessments allow us to identify and mitigate potential hazards before they escalate.

Specific safety initiatives are at the core of our strategy, particularly at our refinery, terminals, and service stations. At the Petron Bataan Refinery, we conduct extensive safety audits and hazard analyses to ensure strict adherence to the highest industry standards. Regular environmental assessments monitor air quality, noise levels, and other health impacts, reinforcing a safe operational environment.

Our Terminals are equipped with advanced fire detection systems, complemented by routine safety training for personnel to ensure compliance with fire safety regulations. This multilayered approach not only protects our customers but also safeguards employees and the surrounding communities, reinforcing our commitment to safety and risk prevention.

Site assessments play a crucial role in our safety protocols, allowing us to swiftly and effectively address potential hazards. Our Corporate Safety team collaborates with technical experts to conduct both virtual and on-site inspections, ensuring compliance with all health and safety regulations while continuously improving our safety measures.

Customer feedback remains a cornerstone of our health and safety strategy and their inputs prove invaluable in driving continuous improvement. Through our listening channels, we actively listen to customer concerns related to health and safety to foster trust and enhance our services based on real-world feedback. In 2024, we received over 253,000 feedback (both voice and non-voice) from our customers through our communication platforms such as the Petron Customer Interaction Center, Petron Talk2Us, Petron Gasul Express Delivery (PGED), and Petron’s new Social Media Community Management (SMCM) group. Focused on engaging with customers on Petron Rewards, Petron Gasul, and Fiesta Gas Facebook pages, the SMCM transactions were included as a new line item for 2024 Petron Customer Care.

Our *Lakbay Alalay* program, which provides free service check-ups and roadside assistance, exemplifies our commitment to customer safety and strengthens our role as a caring and responsive service provider.

We remain dedicated to continuous improvement in customer health and safety. By adopting evolving regulatory standards and integrating innovative safety practices, we go beyond compliance to raise industry benchmarks. We strive to create a secure and reliable environment for both customers and communities, through rigorous management systems, proactive initiatives, and ongoing stakeholder engagement, ensuring their well-being remains our top priority.

Our progress

At Petron, safety remains our top priority, ensuring that our operations, products, and services meet the highest standards. In 2024, we conducted rigorous health and safety assessments across all facilities, evaluating 100% of potential impacts through comprehensive inspections. This proactive approach reinforces our commitment to risk mitigation and the protection of customers, employees, and communities.

For the second consecutive year, we recorded zero incidents of regulatory non-compliance that resulted in fines or penalties. However, we received Notices to Comply (NTC) from the Bureau of Fire Protection (BFP) and the DOLE for two service stations. The BFP’s NTC cited a station’s non-compliance with the required six-meter safety distance between dispensing pumps and public ways, while the DOLE’s NTC addressed the absence of a designated Safety Officer 3 (SO3) at another station. Though these did not incur fines, we are addressing them promptly to ensure full compliance. Meanwhile, we upheld our record of zero non-compliance with voluntary codes, reaffirming our commitment to exceeding safety standards.

Consumer safety remained a key focus in 2024. We enhanced initiatives to assist motorists, including our *Lakbay Alalay* program, which continued to provide free vehicle inspections and medical assistance during peak

travel seasons. Expanding on past successes, we have expanded our Car Care Center Free Safety Check initiative from 41 centers to a broader network. This month-long campaign offered complimentary inspections and exclusive service discounts to encourage proactive vehicle maintenance.

We also strengthened our advocacy for the proper implementation of the LPG Law (R.A. No. 11592) in collaboration with DOE and industry partners. Through regulatory discussions and educational forums, we reinforced best practices and stringent safety measures in the LPG sector. Additionally, we continued to raise awareness about the dangers of illegally refilled LPG cylinders, emphasizing the importance of choosing legitimate Petron LPG products that meet the Department of Trade and Industry (DTI) safety and quality standards. Consumers can access detailed safety guidelines on our website.

While we recognize opportunities for continuous improvement, we take pride in our sustained commitment to safety and compliance. Moving forward, we will further refine our processes, strengthen safety programs, and collaborate with regulatory bodies to ensure the highest level of protection for our stakeholders.

Incidents of non-compliance concerning the health and safety impacts of products and services									
Requirement	2024			2023			2022		
	Refinery	Terminals	Service Stations	Refinery	Terminals	Service Stations	Refinery	Terminals	Service Stations
Incidents of non-compliance with regulations resulting in a fine or penalty	0	0	0	0	0	0	0	0	2
Incidents of non-compliance with regulations resulting in a warning	0	0	2	0	1	0	0	3	1
Incidents of non-compliance with voluntary codes	0	0	0	0	0	0	0	0	0



Responsible Marketing and Labeling

GRI 3-3, 417-1, 417-2, 417-3

Our approach

Promoting responsible marketing and labeling is fundamental to ensuring transparent communication about our socio-environmental impacts while reinforcing our commitment to accountability. By providing clear, accurate information about our products and services, we enhance trust among stakeholders, customers, and investors. This transparency not only safeguards our reputation but also cultivates a culture of responsibility across the industry, setting higher standards and driving more ethical business practices.

As a key industry representative, Petron ensures the Philippines remains an active participant in the Asia-Pacific Economic Cooperation (APEC) and adheres to the Globally Harmonized System of Classification and Labeling of Chemicals (GHS). This commitment guarantees compliance with internationally recognized labeling protocols and responsible marketing standards, spanning our operations from refining to end-customer distribution. By continuously improving our integrated marketing communications, we empower customers and stakeholders with precise and reliable product information.

At Petron, we prominently display fuel octane ratings and strictly adhere to DOE's labeling guidelines, enabling customers to make well-informed decisions. Beyond compliance, we prioritize product stewardship and workplace safety, ensuring the accurate labeling of lubricants and greases while providing Material Safety Data Sheets (MSDS). This dedication to transparency reinforces our commitment to regulatory compliance while strengthening consumer confidence in our products and services.

MSDS plays a crucial role in our product stewardship and workplace safety initiatives by offering comprehensive guidance on proper material handling and use. These documents contain essential information on physical properties, toxicity, potential health effects, first aid measures, reactivity, storage conditions, disposal methods, and spill-response protocols. By equipping our employees with these critical insights, we foster a safer and more informed working environment.



Moreover, our lubricants and greases are produced in full compliance with internationally recognized industry standards, ensuring superior quality and performance. We adhere to specifications set by the American Petroleum Institute (API), the Society of Automotive Engineers (SAE), and ISO for viscosity grade and service levels. Compliance with National Lubricating Grease Institute (NLGI) standards further reinforces our ability to meet the diverse needs of engines, equipment, and vehicles.

Our progress

Our marketing communications and product labeling practices are anchored on regulatory standards and ethical principles, ensuring full transparency. In 2024, we had no incidents of non-compliance with established regulations concerning product and service information labeling as well as marketing communications, including the Advertising Standards Council Code of Ethics and the DTI's promotional guidelines. This achievement underscores our steadfast commitment to integrity and adherence to legal requirements.

Additionally, we ensure that all additives, fuels, lubricants, and petroleum-related products comply with international standards. This is systematically achieved through the implementation of GHS-compliant MSDS and accurate product labeling. By transitioning our product labels to align with GHS requirements, we not only strengthen compliance in domestic markets but also enhance our competitiveness for export opportunities. Concurrently, we invest in employee safety through GHS training programs for personnel involved in purchasing, logistics, customs clearance, warehousing, emergency response, and chemical handling.

At Petron, responsible marketing is central to building customer trust and brand integrity. In 2024, we launched the "Tapat Sa 'yo" campaign to reinforce our long-standing commitment to being the most trusted name among Filipino motorists. This campaign is anchored on five customer-centric pillars that define our value proposition:

- ✓ **Abot-Kaya** (Affordable Pricing)—delivering fuel that fits the Filipino's budget
- ✓ **Ramdang Ko ang Hatak ng Makina** (Quality Performance)—emphasizing fuel efficiency and engine responsiveness
- ✓ **Tuluy-Tuloy na Papremyo** (Exciting Promotions)—providing continuous rewards that add value to every purchase
- ✓ **Tamang Sukat, Bawat Karga** (Accurate Fueling)—ensuring customers get the exact amount they pay for
- ✓ **Serbisyong Mapagkakatiwalaan** (Fast and Reliable Service)—delivering consistent service excellence across our network

This integrated communications campaign was reinforced by a Brand Health Tracking (BHT) study, whose 2024 results confirmed a strong association between Petron and the attribute "The brand I trust the most."

"Tapat Sa 'yo" is more than a marketing message—it reflects our promise of loyalty, fairness, and partnership with every Filipino customer. By the fourth quarter of 2024, BHT results reaffirmed Petron's position as the leading brand in consumer trust, consistently outperforming competitors in this critical metric.

Collectively, these initiatives underscore our commitment to regulatory compliance and workforce safety. By fostering a secure workplace and ensuring the accuracy of product information, we reinforce ethical business practices and solidify our industry leadership. Through continuous process enhancements and employee training, we remain strategically positioned to exceed global standards and meet evolving customer expectations.



Customer Privacy and Service Excellence

GRI 3-3, 418-1

Our approach

In this digital age, we continuously strengthen our commitment to customer privacy while enhancing service excellence. We recognize the vital importance of protecting personal information and have implemented robust safeguards in how we collect, store, process, and share data. Serving millions of customers, we prioritize clear communication and swift responsiveness. We systematically collect specific personal information to facilitate timely and accurate feedback on inquiries, enabling our Customer Relations Group to address concerns efficiently. Our Corporate Affairs Department also works closely with them to ensure that all issues are promptly resolved. Together, these teams uphold our commitment to customer satisfaction and foster lasting trust with stakeholders.

At Petron, we reinforce our dedication to customer privacy through the strategic implementation of our Data Privacy Policy, approved by the Board in May 2017. This policy provides a structured framework guided by core principles such as transparency, legitimate use, and proportionality in data processing. Before accessing our online platform, customers are presented with a comprehensive privacy statement outlining the intended use of their information and requesting their explicit consent, ensuring clarity and accountability in data ownership.

Our Data Privacy Officer plays a critical role in ensuring rigorous oversight and enforcement of privacy measures. Additionally, the Customer Relations Group and Corporate Affairs Department proactively manage and resolve inquiries related to data privacy.

Our progress

Our integrated approach not only safeguards personal information but also ensures its use remains aligned with communicated purposes. As a result, there were no substantiated complaints in 2024 concerning breaches of customer privacy and losses of customer data.

Driving Sustainable Growth Through Competitive Edge



As we move forward, we remain dedicated to generating long-term value for our stakeholders while upholding financial resilience and ethical business practices.

Through our strong economic performance, we create jobs, stimulate local economies, and contribute to national development. Our impact extends beyond our core operations through strategic partnerships and social investment programs that we undertake to foster inclusive growth. We maintain strict adherence to governance policies, ensuring full compliance with laws and regulations while promoting a culture of fairness, respect, and accountability.

By integrating financial strength with environmental and social responsibility, we take decisive steps toward a more inclusive, resilient, and sustainable future—one where progress benefits not only our Company but also the broader society.



Enhanced Economic Value

GRI 3-3, 201-1, 201-2, 201-3, 201-4

Topic 11.2 Climate adaptation, resilience, and transition

Topic 11.14 Economic impacts

Topic 11.21 Payments to governments

Our approach

We are committed to driving economic growth by optimizing operations, expanding market reach, and strengthening industry leadership. As the largest integrated oil refining and marketing company in the Philippines, we play a vital role in ensuring national energy security, job creation, and industrial development. Apart from fuel supply stabilization, the scope of our economic contributions foster broader economic stability through infrastructure investments and regional market engagement, including petrochemical exports and non-fuel product distribution.

Our mission is to create lasting value for stakeholders, employees, and communities. This year, we are focused on future-proofing our business by embracing innovation, exploring cleaner energy solutions, and enhancing resilience against climate-related risks. While the transition to renewable energy presents challenges, we continue to integrate sustainability into our strategy to safeguard our long-term success and the energy needs of our communities.

Our ability to navigate fluctuating market conditions underscores our strong economic performance, delivering consistent value to stakeholders. We go beyond regulatory compliance by implementing proactive risk management strategies to address financial, physical, and environmental risks, including natural calamities and market volatility. Investments in automation, digital solutions, and sustainability initiatives such as the Terminal Ecowatch Program drive operational efficiency and environmental stewardship.

We continue to diversify our portfolio through investments in renewable energy sources such as solar and biofuels to strengthen our position in the evolving energy landscape. These efforts help mitigate market risks while reinforcing our commitment to environmental responsibility and community development. Our partnerships further amplify our role in addressing climate change and ensure sustainable growth.

Looking ahead, we remain steadfast in balancing economic growth with sustainability, reinforcing our legacy as a pioneer in the Philippine oil sector. We continue to drive the industry towards a future where

economic prosperity and environmental stewardship go hand in hand through continuous innovation and transformation. Our financial health remains a cornerstone of our operations, thereby supporting broader economic stability in the regions we serve.

Direct economic value generated and distributed

Our total revenue in 2024 increased compared to 2023 despite ongoing challenges in the market. Nonetheless, we maintained our ability to streamline operations and effectively meet the fuel needs of our customers. As for economic value distribution, our operating costs decreased because of significant efforts to optimize resources and implement innovative and sustainable practices, which resulted in savings for our Company. Meanwhile, employee wages and benefits, payments to providers of capital, and payments to the government all increased, reflecting our priority to continuously enhance employee welfare, investor relations, and tax compliance.

Petron also received tax relief and credits from the government amounting to ₱128 million from duties, value added tax (VAT, excise tax exemption, and income tax holiday for registered projects under the Board of Investments (BOI)).

Direct economic value generated and distributed (in million pesos)

Requirement	2024	2023	2022
I. Direct economic value generated			
Total revenue	870,892	803,929	860,056
II. Economic value distributed			
Operating costs	778,705	677,483	776,205
Employee wages and benefits	6,653	5,731	5,422
Payments to providers of capital	26,742	26,097	17,855
Payments to government	45,254	79,545	49,843
Community investments	52	52	123
III. Economic value retained (calculated as 'Direct economic value generated' less 'Economic value distributed')			
	13,486	15,021	10,608

Financial implications and other risks and opportunities due to climate change

Our ability to navigate fluctuating market conditions underscores our strong economic performance, delivering consistent value to stakeholders. We go beyond regulatory compliance by implementing proactive risk management strategies to address financial, physical, and environmental risks, including natural calamities and market volatility.

We acknowledge that our business operations inherently carry certain risks which include:

- 1. Financial Risks:** Changes in government regulations concerning fuels or oil markets, such as pricing, taxation, and business practices, can impact our organization.
- 2. Physical Risks:** Natural calamities have the potential to damage our facilities and disrupt operations.
- 3. Climate-related Developments:** The shift towards renewables and the growing demand for sustainable energy pose risks, such as reduced demand and sales, and increased expenses.

To mitigate these risks posed by climate change, we have established insurance mechanisms and conduct proactive measures to prepare for calamities that could affect our operations.

Defined benefit plan obligations and other retirement plans

We attribute our economic success largely to our dedicated employees, and we prioritize their well-being and financial security. We actively contribute to various social security programs of the government, such as SSS, Pag-IBIG, and Philhealth. These programs ensure that our employees receive retirement benefits upon separation from the Company.

Our Company pays partial contributions to the retirement fund through the calendar year depending on the financial capacity to pay of the Company and at the same time requirements of the fund to pay out benefits.

In addition to these government-mandated programs, Petron has implemented a robust Savings Plan. This initiative allows employees to contribute a portion of their salaries, with the Company matching these contributions. Together, these initiatives form a comprehensive retirement benefits package that acts both a retention tool and a means of providing financial assistance for employees' daily needs. More importantly, these benefits promote long-term financial security by empowering our employees to plan for their future retirement.

Defined benefit plan obligations and other retirement plans			
Requirement	2024	2023	2022
If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities	1,980,784,001.58	2,447,064,510.75	3,009,650,143.70
The extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them	Actuarial valuation done December 31, 2024	Actuarial valuation done December 31, 2023	Actuarial valuation done December 31, 2022
The basis on which that estimate has been arrived at			
When that estimate was made			

Market Presence and Local Impact

GRI 3-3, 202-1, 202-2
 Topic 11.11 Non-discrimination and equal opportunity
 Topic 11.14 Economic impacts

Our approach

At Petron, we are committed to driving economic growth in the regions where we operate. Strengthening our market presence starts with prioritizing local talent recruitment, including in managerial roles, while maintaining stringent qualification standards. This strategy fosters strong and mutually beneficial relationships, deepens our understanding of local market dynamics, and creates grassroots economic opportunities. To support our workforce, we offer salaries that exceed the minimum wage to reinforce our industry competitiveness and attract and retain top-tier professionals. Our comprehensive benefits package further enhances employees' financial well-being.



This Petron service Station in Mt. Matutum, South Cotabato features a majority of women employed from the community, reflecting our broader goals of inclusivity, competitiveness, and sustainable human capital development.

Our progress

Likewise, we actively promote workplace equality by ensuring that all employees receive the same opportunities and benefits. These efforts reflect our dedication to fostering a diverse and inclusive environment within the oil sector.

Through PFI, we nurture future industry leaders with our scholarship program, which recognizes outstanding students committed to academic excellence. This initiative goes beyond financial assistance by providing scholars with a pathway to join Petron after graduation and advance their careers within the company. It underscores our long-term investment in talent development and industry leadership.

Apart from individual career growth, the employment opportunities we provide significantly contribute to the economic progress of the local communities where we operate. We reinforce our commitment to making a meaningful and lasting impact on the socioeconomic landscape of the regions we serve by driving job creation, fostering professional development, and supporting local economies.

We are committed to fostering fair and equitable compensation practices across our workforce. All our employees, including rank and file, are compensated through monthly salaries, and none are classified as minimum wage earners. Instead of a standardized daily wage by gender, we implement a structured salary framework that is based on role, qualifications, and experience—ensuring internal equity and competitiveness in the industry.

We are equally committed to upholding meritocracy in hiring and leadership development. We recognize that our senior management roles at significant operational sites have yet to be filled by individuals sourced directly from the local communities. To this end, we remain focused on expanding local talent pipelines and investing in long-term strategies that would enable capable professionals from host communities to advance into leadership roles.

These compensation and recruitment practices reflect our broader goals of inclusivity, competitiveness, and sustainable human capital development.

Our approach

We recognize that our business creates an impact that goes beyond the financial success of Filipinos. Our nationwide presence through our strategically-situated terminals and extensive network of service stations not only fuels commerce, but also contribute to improving the lives of people, especially among the communities that host and surround our facilities. As part of our broader vision for sustainable development, we strive to be the trusted partner of the Filipino people in realizing long-term, inclusive progress. PFI, our corporate social responsibility arm, manages and amplifies these indirect economic contributions. It implements a diverse range of programs that lead to socio-economic development. By leveraging strategic partnerships and targeted interventions, we ensure that our initiatives drive meaningful and sustainable progress in the areas where we are present and effect tangible, long-term benefits for our communities.

Our flagship advocacy initiative, Fuel HOPE, demonstrates our dedication to fostering inclusive and sustainable transformation. This program strategically directs our resources to uplift marginalized sectors and strengthen community resilience. By focusing on education, economic empowerment, and environmental sustainability, Fuel HOPE serves as a catalyst for positive change.

Aligned with Fuel HOPE's objectives, our initiatives prioritize key thrusts on education, livelihood, health & human services, and community engagement. Our *Tulong Aral ng Petron* program provides educational assistance to thousands of students, giving them the essential support needed to reach their full potential. We support their formal education from elementary to high school and cultivate their skills to eventually become part of the Company.

Our livelihood programs—including community-based initiatives such as rag-making and dressmaking—create sustainable income opportunities that foster economic self-sufficiency. Our health and community engagement efforts, such as Petron Clinics, also ensure that members of our host communities have access to quality healthcare and essential support, thereby reinforcing our commitment to improving overall well-being.



Initiatives such as the establishment of a fish sanctuary in Limay, Bataan further our commitment to provide inclusive growth for our communities by providing opportunities for livelihood, managing natural resources, and empowering locals.

Our progress

As part of our investments, we have built Petron Schools near our Petron facilities and in the Muslim Mindanao region to provide additional venues for learning. We have also established Petron Clinics in Pandacan, Manila; Limay, Bataan; and Rosario, Cavite that offer specialized services such as X-ray, laboratory tests, ECG, and ultrasound to complement nearby local health centers.

We also equally invest in environmental protection. We established a five-hectare Mangrove Conservation Project in Sitio Bahawan, Abucay, Bataan Province, under the DENR's Project TRANSFORM, which includes constructing a nipa hut and repairing fences to support regular monitoring and monthly cleanup activities at the project site. As part of this Petron-funded initiative, we also constructed a *tahungan* (mussel farm) for members of our partner people's organization, Samahan ng Mananahong ng Sitio Bakawan, enabling them to cultivate and sell mussels at the local fish port.

In Limay, we signed a formal agreement with the local government and the *Panguluhan ng Maliliit na Mangingisda ng Limay* (PangMaMali) Fisherfolk Association to rehabilitate a 7.5-kilometer fish sanctuary. Initially established in 2005 with Petron's assistance, the sanctuary aimed to address overfishing, habitat degradation, and the risks posed by fishing near PBR's coastal operations.



Working with and for the betterment of our stakeholders allows us to provide programs that uplift communities, especially in areas where Petron is present.

As part of this renewed dedication, 288 new artificial reefs were installed, supplementing the 24 already in place. The results are already visible as local fishers report increasing sightings of valuable species such as *talakitok* (jackfish) and *salaysay* (skipjack tuna), signaling a revitalization of marine biodiversity. Also included in this initiative was the establishment of floating flag markers, and the construction of a floating raft.

The sanctuary is not just about protecting marine life as it also serves as a platform for community empowerment. Part of Petron's support is offering training workshops for fisherfolk's wives on fish processing and value addition to create new income opportunities. We have also provided other vital resources such as:

- Repurposed drums as sinkers and floating markers for artificial reefs
- Financial and technical assistance for habitat restoration
- Capacity-building initiatives to support sustainable fishing practices

The Municipality of Limay complemented these efforts by providing speedboats for monitoring and enforcement to ensure the sanctuary remains well-protected. Despite these successes, challenges remain. Illegal fishing continues to threaten marine life, while environmental factors such as "*masamang tubig*" (bad water) pose additional risks. To combat these issues, the local government and Petron are working to:

- Enhance enforcement efforts and implement stricter regulations
- Improve monitoring capabilities, including the potential use of underwater cameras to track fish populations

Looking ahead, the local government is committed to ensuring the sanctuary's long-term sustainability through stronger conservation regulations, ongoing habitat restoration efforts, and continued community engagement.

Lastly, we established a *pawikan* (sea turtle) hatchery in Bo. Luz, Limay, in partnership with LGU Limay, Barangays Kitang 2 and Luz, and the Bataan Provincial Government. This effort is part of a provincewide movement to protect endangered giant marine turtles nesting in Bataan. Since becoming a sponsor of the Bataan Pawikan Festival in 2007, we have expanded beyond awareness campaigns to direct conservation initiatives, including habitat protection and partnerships with LGUs, NGOs, and community stakeholders. In 2022, we strengthened our commitment by joining the One Bataan PawiCAN Conservation Alliance Network (1PawiCAN Program), institutionalizing marine turtle conservation not just in the towns of Morong and Bagac, but also in Mariveles and Limay.

By aligning our initiatives with broader goals of coastal and marine ecosystem protection such as saving the endangered *pawikan*, we envision an even stronger collaboration with our stakeholders, where conservation efforts not only protect endangered species but also create sustainable economic opportunities for local communities.



Ethical and Fair Business Practices

GRI 3-3, 205-1, 205-2, 205-3, 206-1
Topic 11.19 Anti-competitive Behavior
Topic 11.20 Anti-corruption

Our approach

Integrity serves as the foundation of our organizational processes and guides every aspect of our operations. By embedding transparency and accountability in all business activities—from supplier negotiations to internal governance—we cultivate trust-driven relationships that strengthen our credibility and reinforce our commitment to ethical excellence.

We firmly believe that fair competition is essential for fostering a dynamic and thriving market. To uphold this principle, we implement proactive measures that prevent any form of collusion with competitors and ensure that our business practices are rooted in fairness, trust, and integrity.

Our commitment to anti-corruption is a core component of our business values. Our Code of Conduct and Ethical Business Policy strictly prohibits corruption and bribery at all levels of the organization. To reinforce this, we integrate anti-corruption training into our mandatory programs, including employee orientations, corporate governance seminars, and labor relations workshops. This ensures that our workforce is well-equipped to identify, prevent, and address unethical behavior. These practices help us foster a culture of integrity as we aim to earn and sustain the trust of our stakeholders and the communities we serve, setting the standard for ethical business leadership.

Our Code of Conduct and Ethical Business Policy also emphasizes our commitment to fair competition and compliance with antitrust regulations. We continuously enhance corporate integrity while encouraging our stakeholders and customers to uphold similar ethical standards. Through our efforts to promote an equitable and transparent market, we contribute to broader societal benefits and actively support sustainable development goals.

Our progress

To date, Petron has maintained a clean record, with no confirmed incidents of corruption—a testament to our steadfast commitment to ethical business conduct and strong governance. All our operations (100%) are assessed for risks related to corruption. The Board of Directors has also formalized the Revised Conduct and Ethical Business Policy, strengthening the ethical framework for directors, officers, and employees. This reinforces our goal of conducting business in a manner that is not only ethical but fully compliant with applicable laws and fosters a culture of integrity across the organization.

In instances where credible suspicions of corruption arise, the Internal Audit department, in collaboration with the pertinent operational divisions, will initiate a detailed investigation. This process will encompass evidence collection, witness interviews, and a review of relevant records. Should the investigation yield sufficient evidence of misconduct, appropriate disciplinary actions will be implemented, which may include suspension or termination of employment. All these are part of our commitment to maintaining high standards of ethical conduct and accountability, underscoring the gravity of corrupt activities and their potential repercussions.

This year, no anti-corruption training was conducted for the directors. However, we successfully held an anti-corruption training program and briefings for all employees.

In recognition of our commitment to effective governance and ethical business practices, we received two Golden Arrows at the ASEAN Corporate Governance Scorecard (ACGS) Arrow Awards, conferred by the Institute of Corporate Directors in September 2024. This achievement reinforces our strategic focus on upholding rigorous ethical standards in our anti-corruption efforts.

Furthermore, we maintained a clean track record in fair competition, with no instances of anti-competitive behavior and violations of anti-trust and monopoly legislation in 2024.



Tax Transparency and Responsible Governance

GRI 3-3, 207-1, 207-2, 207-3, 207-4
Topic 11.21 Payments to governments

Our approach

Tax compliance is a fundamental pillar of our operations, reinforcing our commitment to economic development and societal well-being. We ensure adherence to local and international regulations throughout our business. By prioritizing efficient tax governance, strategic planning, and responsible remittance, we position ourselves as a key contributor to national growth while maintaining the highest standards of accountability.

We actively collaborate with government agencies to support initiatives that enhance fairness and transparency in the industry. Our active participation in the Fuel Marking Program, for example, is instrumental in combating fuel smuggling and ensuring the equitable collection of government taxes. This initiative underscores our commitment to upholding transparency and fair-market practices in the oil sector.

Furthermore, we uphold transparency through comprehensive tax disclosures, including country-by-country reporting, which strengthens public trust and reaffirms our role as a responsible corporate citizen. By integrating sustainability principles into our tax strategy, we contribute to the long-term economic stability of the communities we serve while allowing us to remain steadfast in our commitment to ethical business practices and national economic progress.

Our progress

[Country-by-country reporting](#)

We continue to make a faithful accounting and documentation of taxes for our resident entities, which cover multiple jurisdictions, such as the Philippines, Malaysia, Bermuda, Singapore, the British Virgin Islands, Mauritius, and Hong Kong. For purposes of consistency with our declared reporting boundaries, comprehensive tax disclosures have been limited to our Philippine operations in this report.

Country-by-country reporting

List all tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes.					
	I. Names of the resident entities;	II. Primary activities of the organization;	III. Number of employees, and the basis of calculation of this number;	IV. Revenues from third-party sales;	V. Revenues from intra-group transactions with other tax jurisdictions;
Philippines	Petron Corporation	Refining and marketing/distribution of petroleum products	2,343	430,290	32,359
Philippines	Petron Marketing Corporation	Trading, wholesale and retail, distribution of petroleum products, and operation of retail outlets.		14	
Philippines	Petron Freeport Corporation	Retailing of petroleum and related products with affiliate businesses	9	889	276
Philippines	New Ventures Realty Corporation	Acquiring, investing and leasing of land and real properties			
Philippines	Las Lucas Construction and Development Corporation	Leasing of real properties and general construction activities		1	15
Philippines	South Luzon Prime Holdings Incorporated	Acquiring, investing and leasing of land and real properties			7
Philippines	Parkville Estates Development Corporation	Acquiring, investing and leasing of land and real properties			13
Philippines	Abreco Realty Corporation	Acquiring, investing and leasing of land and real properties			2
Philippines	Mariveles Landco Corporation	Acquiring, investing and leasing of land and real properties		1	11
Philippines	Philippine Polypropylene, Inc.	Manufacturing and marketing of polypropylene and petrochemicals		2	
Philippines	Mema Holdings, Inc.	Holding company			
Philippines	Weldon Offshore Strategic Limited, Incorporated	Holding company		7	
Philippines	Petrofuel Logistics Inc.	Providing logistics and freight forwarding services	1,058	4	1,422

VI. Profit/loss before tax;	VII. Tangible assets other than cash and cash equivalents;	VIII. Corporate income tax paid on a cash basis;	IX. Corporate income tax accrued on profit/loss;	X. Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax.
11,566	224,054	3,573	826	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
14	2	3	3	
31	104	5	5	
				Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
13	498		2	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
5	67		1	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
17	16		3	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
1	7			
2	42			
2				
6		1	1	
1,500	2,962	28	19	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting

From Risk to Resilience: A Proactive Approach to Business Stability

Our Enterprise-Wide Risk Management (“ERM”) framework and ERM programs are designed to enable us to achieve our corporate objectives through managing risks that may adversely impact such objectives. Risk management is integrated in the daily operations and performance across our entire organization. Identified risks are analyzed and evaluated, while major risks are regularly reported and raised to top management level for continuous monitoring and decision-making. The risk management process is integrated in the yearly business planning of all major divisions and departments, with the resulting annual business plan formulated being presented to the Board for approval. The ERM framework, which is based on ISO 31000, likewise searches for strategic risks that present opportunities and may create or add value to the Company.

We have a Chief Risk Officer who supervises our entire enterprise risk management process of the Company and spearheads the development, implementation, and continuous improvement of the Company’s enterprise

risk management processes and documentation. He heads the ERM Group, tasked to lead the enterprise risk management program of our Company. All the heads of the Company’s divisions are designated risk owners of all risks emanating from their respective groups and each group is represented in the Risk Management Committee, the working group which is the conduit in cascading risk management efforts of Management to all employees and in receiving any feedback from them.

In assessing the risks that confront each division and the entire corporation in general, we are guided by our risk appetite and tolerances such that risks that poses high likelihood of occurrence and huge financial impact are given priorities in providing means to eliminate or at least mitigate these risks so as not to pose hindrances in attaining our business objectives. The following were given such priority attention in 2024:

Operational Risks



These may be caused by unplanned events such as serious process or machine failure, accidents, weather-related events, or human error at the Company’s refinery, terminals, depots and other facilities. These disruptions may result in injury or loss of life, damage to Company property, or damage to other properties in the immediate area where the facility is situated or in financial losses from product run-outs, loss of sales or loss of margins from required spot purchases.

To mitigate these risks, the Company ensures that the Petron Bataan Refinery and the terminals adopt best practices in operations and adhere to a program of planned, preventive and predictive maintenance. For the Petron Bataan Refinery, in 2024 a scheduled shutdown maintenance was completed which is periodically carried out in accordance with an established turnaround planning cycle. In addition, routine, preventive and corrective reliability and maintenance programs are implemented, supported by adequate and advanced instrumentation with the appropriate tools and equipment. The Petron Bataan Refinery, the country’s only oil refining facility, continues to be Integrated Management System (“IMS”)-certified which demonstrates the Company’s continuous adherence to global standards on safety, health, quality and environmental management. The Company’s IMS certification covers the Environmental Management System (EMS, ISO 14001:2004), Quality Management System (QMS, ISO 9001:2008) and Occupational Health and Safety Management System (OHSMS, 18001:2007).

All of the Company’s 30 terminals have been certified under the ISO 9001:2015 (QMS), while 29 terminals received certification for ISO 14001:2015 (EMS), and ISO 45001:2018 (Occupational Health and Safety Management System) standards. Moreover, the Petron pier facilities are compliant with the International Ship and Port Facility Security or ISPS Code which is certified by the Office for Transportation Security under the Department of Transportation.

The Company likewise maintains insurance which covers property, marine cargo and third party liability, as well as personal injury, accidental death and dismemberment, sabotage and terrorism, and machinery breakdown. One of the main insurance policies of the Company, the Industrial All Risk policy, covers the Petron Bataan Refinery for material damages, including machinery breakdown cover.

Crude and Product Price Volatility Risks



The Company is exposed to uncontrollable price fluctuations of input crude and output finished products. Price movements and volatility are brought about by changes in global supply and demand for crude oil and finished products, international economic conditions, global conflicts and geopolitical issues, and other factors over which the Company has no control. Currently, events such as the war in Gaza, conflicts at the Red Sea, the Russia-Ukraine war, and US tariff imposition and trade war have resulted in oil price swings. Such volatility may result in cash flow variability and increase in financing expenses.

The Company mitigates this risk by entering into commodity hedging for its crude and product exposure. The Company has a Commodity Risk Management Committee that actively evaluates hedging policies and strategies to protect the Company from risks of inventory losses and margin contractions. The Company also regularly assesses refinery utilization considering the latest price outlook and demand forecasts and prudently manages its capital and operating expenses and receivables, particularly during times of high volatility.

Financial Risks



The Company is capital intensive and spends substantially for the processing and purchase of crude oil and other fuel products, and investments in upgrading and maintaining the Company’s facilities, which requires Petron to incur debt to finance these expenses. With loan levels both in peso and foreign currencies, the Company faces financial risks from increase in interest rates and fluctuations in foreign exchange. An increase in interest rate would mean an increase in interest payments to the lenders, while swings in foreign exchange would impact our foreign-denominated debt and interest payments in peso terms.

To manage these financial risks, the Company maintains an optimum mix of fixed and floating rate loans, and peso and foreign-denominated loans. The Company also engages in hedging activities using forwards and other derivative instruments, and generating dollar-denominated sales to reduce foreign exchange exposure. Finally, the Company negotiates for tighter spreads of loan facilities for long-term loans.

Moreover, the Company uses an enterprise resource planning software that monitors financial transactions. This planning tool allows real-time awareness and response to contain losses posed by foreign exchange exposure.

Cyber Security Risks



As the Company becomes more reliant on technology to support operations and enable efficiency and innovation, Petron becomes susceptible to information technology (“IT”) security threats that may impact business continuity, data integrity, and regulatory compliance. These threats may come from inside and outside of the organization, can be intentional, as with cybercriminals, or unintentional, as with employees, contractors or vendors who accidentally click malicious links or download malware. And as these IT security and cybersecurity threats continue to escalate in ferocity and complexity, the Management Information Systems Department (“MISD”) of the Company has implemented IT security strategies that combine a range of security systems, framework/programs and technologies to protect Petron’s entire IT infrastructure, including hardware systems, software applications and endpoints, to prevent or mitigate the impact of known and unknown threats.

Since these threats are fast-evolving, the Company has been continuously working on strengthening its foundation and improving the response plan to maintain a confident security posture.

The Company also implemented proactive measures to further improve our threat detection, response and prevention capabilities. As cyberattacks such as phishing attacks exploit human vulnerabilities, the Company is also focused on user training and empowerment to educate employees to recognize security threats and practice secure workplace habits.

The Heart of Integrity: Good Governance as a Business Imperative

Strong governance continues to guide us as we take a leap forward toward sustainability. Our commitment starts with our leaders, whose vision drives us to take meaningful action. With this, we continuously strengthen our governance framework—upholding transparency, accountability, and ethical leadership at every level.

Governance structure and composition GRI 2-9

In 2024, our Board of Directors comprised 15 members, three of whom are independent. Petron is led by Mr. Ramon S. Ang, our President and CEO, and Mr. Lubin B. Nepomuceno, our Director and General Manager.

Name	Age	Nationality	Position	Year Appointed as Director
Ramon S. Ang	71	Filipino	President and CEO	2009
Lubin B. Nepomuceno	73	Filipino	Director and General Manager	2013
Ron W. Haddock	84	American	Director	2008
Estelito P. Mendoza *	95	Filipino	Director	2009
Aurora T. Calderon	70	Filipino	Director	2010
Mirzan Mahathir	66	Malaysian	Director	2010
Francis H. Jardeleza	75	Filipino	Director	2020
Virgilio S. Jacinto	68	Filipino	Director	2010
Nelly Favis-Villafuerte	88	Filipino	Director	2011
Jose P. De Jesus	90	Filipino	Director	2014
Horacio C. Ramos	79	Filipino	Director	2018
John Paul L. Ang	45	Filipino	Director	2021
Artemio V. Panganiban	88	Filipino	Independent Director	2010
Margarito B. Teves	81	Filipino	Independent Director	2014
Ricardo C. Marquez	64	Filipino	Independent Director	2022

* Previously served as Director of the Company from 1974 to 1986

Role of the highest governance body in overseeing the management of impacts GRI 2-12

The Board of Directors is tasked with strengthening our Company's vision, mission, strategic goals, policies, and procedures, guiding our operations and effectively monitoring Senior Management's performance. Our annual operating plan and quarterly results are reported to and approved by the Board of Directors.

Furthermore, our Board of Directors is supported by the following committees:

Committee	Description
Executive Committee	<ul style="list-style-type: none"> Generally exercises the powers of the Board of Directors when the latter is not in session. Composed of three (3) regular members with two (2) alternates who shall sit if any one of the regular members is unable to attend the meeting.
Corporate Governance Committee	<ul style="list-style-type: none"> Tasked to assist the Board of Directors in the performance of its corporate governance, nomination, and remuneration responsibilities and ensure compliance with and proper observance of corporate governance principles and practices. Has at least three (3) independent directors as members, including the Chairperson.
Audit Committee	<ul style="list-style-type: none"> Oversees Senior Management in establishing and maintaining an adequate, effective and efficient internal control framework; ensures that systems and processes are designed. Provides assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets. Composed of at least three (3) appropriately qualified non-executive directors, the majority of whom shall be independent directors; the Chairperson also an independent director and shall not be the Chairperson of the Board of Directors or of any other Board of Directors Committee.
Risk Oversight Committee	<ul style="list-style-type: none"> Responsible for the oversight of the enterprise risk management system of the Corporation to ensure its functionality and effectiveness. Composed of at least three (3) appropriately qualified non-executive directors, the majority of whom shall be independent directors; the Chairperson also an independent director and shall not be the Chairperson of the Board of Directors or of any other Board of Directors Committee.
Related Party Transaction Committee	<ul style="list-style-type: none"> Reviews all material related party transactions of the Company. Composed of at least three (3) non-executive directors, two (2) of whom shall be independent directors; Chairperson also an independent director.

Nomination and selection of the highest governance body GRI 2-10

Our Board of Directors brings the necessary skills, expertise, and experience to guide us towards accomplishing our strategic goals. We prioritize diversity within our Board of Directors, considering factors such as age, skills, industry background, gender, competence, knowledge, and other distinctions among directors to ensure well-rounded representation. This emphasis enriches discussions, enhances decision-making processes, and fosters the development of comprehensive solutions to address challenges and capitalize on opportunities for our business. The Corporate Governance Committee oversees the selection process for our Board of Directors.

We implement rigorous measures, ensuring that the candidates meet the following requirements:

- possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board of Directors and in light of the Company's business and risk profile;
- have a record of integrity and good repute;
- have sufficient time to carry out their responsibilities; and
- have the ability to promote smooth interaction between members of the Board of Directors.

Guided by our leadership team, we continue to strengthen our policies and internal processes to ensure that we stay on course on our sustainability path, firmly grounded in our vision, purpose, and core values.

Policy commitments GRI 2-23

Guided by our leadership team, we continue to strengthen our policies and internal processes to ensure that we stay on course on our sustainability path, firmly grounded in our vision, purpose, and core values.

Corporate Policy	Description
Revised Whistleblowing and Non-Retaliation	This expands the coverage of the original policy. In addition to concerns on accounting, internal controls, auditing or financial reporting matters such as malpractice, impropriety, theft or fraud, gross mismanagement or waste of funds, the policy now also covers illegal or non-compliant conduct and misconduct such as violations of any law or regulation, violations of the Revised Code of Business Conduct and Ethical Business Policy and other policies of the Company, and improper or unethical behavior likely to cause financial loss or prejudice to company reputation or constituting abuse of authority, harassment or duress. A Whistleblowing Relations Officer and a Whistleblowing Committee have been designated for the conduct of investigations. The Company also reiterates under this policy our commitment against retaliation, which action will be subject to appropriate sanctions that include dismissal or termination of contractual relations with the Company.
Anti-Corruption and Anti-Money Laundering and Sanctions Compliance	Under this policy, the Petron Group reiterated its compliance with all applicable laws on anti-corruption and -bribery, anti-money laundering and combating terror financing ("AML-CTF"), and trade and economic sanctions. This policy also sets forth the Petron Group's policy of zero-tolerance for bribery, corruption, money-laundering, terror financing, and sanctions violations.
Anti-Sexual Harassment	The Petron Group values the dignity of every individual, strives to enhance the development of their human resources, guarantees full respect for human rights and uphold the dignity of their employees, applicants for employment, consultants and service providers. Towards this end, all forms of sexual harassment against any personnel in the workplace are prohibited. The Petron Group is committed to upholding the rights and dignity of all its personnel through the creation of a work environment characterized by professionalism, fairness, openness, trust and respect. In addition, the Petron Group has adopted procedures for the handling and investigation of sexual harassment cases. Not only does this policy document the Petron Group's zero-tolerance policy for any form of sexual harassment in the workplace, it also expressly states the position of the Petron Group against victimization for making a reasonable complaint.
Conflict of Interest	This policy highlights and reiterates the principle in the Company's Revised Code of Conduct and Ethical Business Policy that officers and employees of the Petron Group have a duty to act in the best interest of the Petron Group. The Petron Group shall be protected by identifying and resolving any possible conflict of interest between the Petron Group and its officers and employees that will negatively affect current and future business, legal obligations, and good governance. The officers and employees of the Petron Group agree and acknowledge that they are not influenced by personal, family, financial or other considerations which might affect their judgment as to what is best for the Petron Group and that there is a conflict of interest if they compromise their exclusive commitment to the Petron Group. If the personal business interests of an officer or employee may conflict with the interests of the Petron Group, the proper disclosure by the relevant officer or employee and a review by higher Management are required to resolve the conflict.
Diversity, Equity, and Inclusion	This policy documents the dedication of the Petron Group to foster a welcoming and positive working environment. Recognizing that the workplace is an extension of an employee's social and cultural identity, the Petron Group aligns this with its core values and cultivates an open and safe space for its most valuable asset, its human capital. With this policy, the Petron Group expressly and consciously advocates an inclusive organization which is representative of all the sectors of society, and which promotes an equal and inclusive workplace, respects diversity, and accepts differences to attract and retain skilled employees, enhance productivity, and foster loyalty and unity within the Petron Group.
Child and Forced Labor	This policy reiterates the Petron Group's commitment to value the dignity of every human person, including children, and guarantees the respect of individual rights. Children shall be afforded special protection from all forms of exploitation and other conditions prejudicial to their development, including child labor. Moreover, the Company expressly commits that it shall not engage, tolerate, or support forced or involuntary labor.
Board of Directors Diversity	This policy provides a framework for inclusion to promote diversity in the Board of Directors of Petron by promoting the inclusion of a wide range of perspectives and ideas that can inspire creativity and drive innovation and improve decision-making and corporate governance. In determining the structure and composition of the Board of Directors, diversity will be considered from varied aspects, including, but not limited to, gender, age, ethnicity, religion, culture, sexual orientation, skills, backgrounds, competencies, knowledge, experience, length of service of directors, and applicable regulatory rules and regulations. The Board of Directors is also tasked to strive to maintain a balanced mix of executive, non-executive, and independent directors, having due regard to the requirements of the Company and the Board of Directors.
Revised Code of Conduct and Ethical Business	The Company's Code of Conduct and Ethical Business Policy was likewise updated to specifically include in its anti-bribery coverage all commercial or private transactions of the Company. A conflict of interest in relation to the employment by another person also now extends to any organization engaged in a business that is directly in competition with any of the businesses of the Petron Group.

Awards and recognition

Award	Recognizing Body	Date Received	Description of Achievement Recognized
13th Gawad Kaligtasan at Kalusugan (GKK) Awards <ul style="list-style-type: none"> National Bronze Award (Transportation & Storage Industry Category) - Petron Tagoloan Terminal Special OSH Award (Industry Category) - Petron Zamboanga Terminal and Petron Bawing Terminal 	Department of Labor and Employment	November 22, 2024	The Gawad Kaligtasan at Kalusugan or GKK is an award given by the DOLE in recognition of outstanding achievement of establishments and individuals in terms of responding to the safety and health needs of workers, of workplaces and community
Safety Excellence Award for the following Petron facilities: <ol style="list-style-type: none"> Petron Head Office JOCASP New Lube Oil Blending Plant (NLOBP) Pandacan Lube Oil Warehouse and Distribution (LWD) Subic Blending Plant Poro Bacolod Mactan Mandaue Tacloban Davao Jimenez 	Workplace Advocates on Safety in the Philippines Incorporated (WASPI)	October 18, 2024	The "Workplace Advocates on Safety in the Philippines Incorporated (WASPI) - Safety Excellence Award" is a recognition given to companies in the Philippines that demonstrate outstanding commitment to occupational safety and health standards, typically awarded to businesses with a record of no lost time accidents or disabling injuries over a specified period; essentially signifying a high level of workplace safety compliance within the organization.
Golden Arrow Award	Institute of Corporate Directors	September 19, 2024 (during the ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards)	Arrow Award recipients demonstrate compliance with the Philippine Code of Corporate Governance and globally recommended corporate governance practices. Companies are scored according to publicly available disclosures on a company's website regarding shareholder rights facilitation, transparency, and accountability in disclosing material information, and board performance, among others.
Best Community Programme Award (Silver Category) for Tulong Aral ng Petron (TAP) and the Petron Refinery's Bataan Engineering Scholarship Program	Co-organized by the Pinnacle Group International and Sustainable Technology Centre	April 25, 2024 (given at the 16 th Annual Global CSR & ESG Summit and Awards)	The Global CSR & ESG Summit and Awards 2024™ is Asia's most prestigious recognition awards programme for Corporate Social Responsibility and ESG. The programme recognizes and honors companies for outstanding, innovative and world-class products, services, projects and programs implemented in the past or present. These projects should demonstrate the company's leadership, sincerity and on-going commitment in incorporating ethical values, compliance with legal requirements, and respect for individuals, communities and the environment in the way they do business.
Recognized as: <ul style="list-style-type: none"> One of the 10 most valuable Filipino brands for 2024 83rd most valuable brand in the ASEAN region The only oil company to also land in the top 10 in terms of Sustainability Perceptions Value 	Brand Finance 2024 Brand Finance Philippines 30 report	May 2024	Brand Finance's Brand Value Report provides a complete breakdown of the assumptions, data sources, and calculations used to determine companies' brand's value, as well as brand equity research. Each report includes expert recommendations for growing brand value, driving performance, and gaining insights into the company's position against peers.



Moving Forward: Charting a Course Towards a Sustainable Tomorrow



As sustainability becomes ever integral in the business landscape, we continue to take the steps necessary not only to survive in the fast-paced downstream oil industry but to stay ahead of the competition, as well as the rapidly evolving challenges of doing business. As markets grow more unpredictable, climate change compounding the risks to operations, political upheavals heightening uncertainties and upending stability, we also grow increasingly mindful of the need to embrace sustainability as a way of life in every facet of our work. The progress of our performance that we have continuously been consistently measuring, monitoring and declaring in our past sustainability reports indicates that we are on the right track in charting our course towards an enduring future. At the same time, we know that we can do more and be better.

- Taking off from the process of reporting, we will continue measuring our economic, environmental, and social performance vis-à-vis the targets we set at the start of each year. At the same time, we will monitor how our efforts also contribute to attaining the goals indicated in the San Miguel blueprint—doing what is good for the planet, good for people, and good for progress. Even as we continue to anchor our ESG accomplishments on the GRI standards on sustainability reporting, we are anticipating the new International Sustainability Standards Board (ISSB) to be mandated by the SEC for all Philippine companies and have initiated efforts to prepare for its eventual

implementation, beginning with a training among members of Petron's ESG Technical Working Groups on the basics of the IFRS S1 (sustainability-related risks and opportunities) and S2 (climate-related disclosures). In the process, we will still align our efforts to help contribute to the UN Sustainable Development Goals and the Philippine Development Plan.

- We will scale up energy management initiatives through improvements in energy and process efficiencies and reducing/recovering waste heat in the Refinery, while also continuing to transition to more energy efficient LED lighting and solar panels in facilities of the refinery, terminals and service stations, upgrading to inverter AC units and heightened practice of basic emergency conservation measures, even as we assess relevant environmentally sound technologies for possible adoption.
- We aim to further intensify our carbon sequestration efforts by complementing existing operational activities with coastal and upland reforestation, using science-based assessment of carbon sequestration and avoided emissions by experts from the UPLB-CFNR, specifically from the 55 hectares of mangrove sites in Capiz, Davao del Sur, and Bulacan under our *Puno ng Buhay* reforestation program. This will assist us in improving the company's GHG reduction goals and strategies.

- We will continue to adopt the practice of circularity in our business processes. Specifically, we are looking to level up support to the EPR Law by upping our compliance, incentivizing the recycling of empty Petron lube containers, conducting third-party audits and engaging more plastic credit suppliers. Vital to this effort will be the full and active participation of our Petron Dealers Association or PETDA.
- Even as we strive to encourage our supply chain to share in our values and aspirations for a sustainability future, we are also developing procedures internally that will enhance our business planning process to assess the inclusion of ESG initiatives in capital expenditure proposals as added consideration for budget approval. This is a way to embed sustainability practices in every project and further raise the level of awareness in every business unit.

Making that leap forward means looking beyond the horizon and envisioning our business beyond today. The past 92 years of Petron have been about building sturdy and resilient foundations that will ensure we not only reach our centennial but remain as the industry leader in the coming years. We need to stay focused on our goals, be bold in our thinking, remain patient in our steps, and always be ready to translate our efforts into opportunities to grow further, well into the future.

GRI Content Index

STATEMENT OF USE	Petron Corporation has reported in accordance with the GRI Standards for the period January 1, 2024 to December 31, 2024.
GRI 1 USED	GRI 1: Foundation 2021
APPLICABLE GRI SECTOR STANDARD(S)	GRI 11: Oil and Gas Sector 2021

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	

GENERAL DISCLOSURES

GRI 2: General Disclosures 2021	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
	2-1 Organizational details	4-7					
	2-2 Entities included in the organization's sustainability reporting	3					
	2-3 Reporting period, frequency and contact point		January 1 to December 31, 2024 Annually Publication date: April 15, 2025 Contact person: Ramon S. Ang President and CEO				
	2-4 Restatements of information		None for the previous reporting period (2023)				
	2-5 External assurance		The report has not been externally assured.				
	2-6 Activities, value chain and other business relationships	4-7					
	2-7 Employees	45-46					
	2-8 Workers who are not employees	45-46					
	2-9 Governance structure and composition	74					
	2-10 Nomination and selection of the highest governance body	76					
	2-11 Chair of the highest governance body		Mr. Ramon Ang, President and CEO of Petron, acts as the chairman in the meetings of the Board. The Company's Manual on Corporate Governance of our Company sets out the functions of the Chairman and the CEO to clearly define roles and responsibilities. In matters where the interests of the CEO and the Chairman may conflict such as those relating to directors' remuneration and the independence of the Audit Committee in reviewing the controls in the operations of the Company, we have mechanisms in place such as the power of the Board Corporate Governance Committee (headed by an ID and majority of the members of which are also IDs) to review directors' fees and the Audit Committee being headed by an ID and whose members include all the IDs of the Company.				
	2-12 Role of the highest governance body in overseeing the management of impacts	75					
	2-13 Delegation of responsibility for managing impacts	20-21					
	2-14 Role of the highest governance body in sustainability reporting	20-21					
	2-15 Conflicts of interest		Petron Corporation Definitive Information Statement on SEC Form 20-IS for the 2025 annual stockholders' meeting containing disclosures on related party transactions and the review and approval by the Board Related Party Transactions Committee of material related party transactions for 2024 (pages 74-75).				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns		We rolled out the Revised Whistle-blowing and Non-Retaliation Policy of the Petron Group, expanding the coverage of the original policy. In addition to concerns on accounting, internal controls, auditing or financial reporting matters such as malpractice, impropriety, theft or fraud, gross mismanagement or waste of funds, the policy now also covers illegal or non-compliant conduct and misconduct such as violations of any law or regulation, violations of the Revised Code of Business Conduct and Ethical Business Policy and other policies of the Company, and improper or unethical behavior likely to cause financial loss or prejudice to company reputation or constituting abuse of authority, harassment or duress. A Whistleblowing Relations Officer and a Whistleblowing Committee have been designated for the conduct of investigations. The Company also reiterated under this policy its commitment against retaliation, which action will be subject to appropriate sanctions that include dismissal or termination of contractual relations with the Company. The Company also has an Internal Audit Department that assists in matters relating to risk management, control and governance process. Its head directly reports to the Board Audit Committee.				
	2-17 Collective knowledge of the highest governance body		The Company annually engages service providers to conduct training to its directors and executive officers. In September 2024, the training for the directors and key officers of the Company included topics on 1) Fraud; and 2) Cybersecurity and Generative Artificial Intelligence (GenAI), which was conducted by SGV.				
	2-18 Evaluation of the performance of the highest governance body		The directors accomplished their annual evaluation of their performance for 2024, with the coverage and results of the evaluation reported in the Petron Corporation Definitive Information Statement on SEC Form 20-IS for the 2025 annual stockholders' meeting (pages 102-103).				
	2-19 Remuneration policies		Our management sets the remuneration of senior executives at a level that will help attract and retain executives with the qualifications and experience needed for the success of the Company and that will be commensurate to the services that they render to the Company. We provide each executive officer with a general description of executives' benefits in addition to the statutory benefits and other benefits enjoyed by all employees such as medical and life insurance, vacation, sick and emergency leaves, and a savings plan program.				
	2-20 Process to determine remuneration		The Corporate Governance Committee reviews the remuneration of directors to ensure that salaries and other remuneration of officers are set at level adequate to attract and retain directors with the qualifications and experience needed to manage the corporation successfully. The Company provides each non-executive directors with reasonable per diem for each board and board committee meeting attended in addition to monthly fees and monthly fuel allowances. Directors are not paid retirement benefits. The fees of the directors for 2024 were endorsed by the Corporate Governance Committee and approved by the Board on March 5, 2024 upon the finding of the Corporate Governance Committee that such fees were reasonable and commensurate to the services to be rendered. The matter was ratified by the stockholders at 2024 the Annual Stockholders' Meeting held on May 21, 2024 (as disclosed in the minutes of the 2024 Annual Stockholders' Meeting).				
	2-21 Annual total compensation ratio			Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees	Confidentiality constraints	Our Company considers many factors in fixing the salaries of employees. The requested information on the ratio on the pay difference may be taken out of context when the determinants used by Petron in setting the salaries are not considered by the person receiving the ratio information.	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	12-17, 22					
	2-23 Policy commitments	22, 76					
	2-24 Embedding policy commitments		The compliance with the Company's policies is an obligation of all directors, officers and employees. Policies have their respective procedures for implementation (including the obligation of employees, directors, and officers to report suspected violations) and a failure to comply with such policies may subject the concerned employee to disciplinary measures (including counseling, reprimand, suspension and/or termination, in addition to any civil or criminal liability under existing laws and regulations).				
	2-25 Processes to remediate negative impacts		We comply with DOLE requirements and procedures and cooperate in mediation meetings (if any). We observe the Labor Code proviso on Grievance Machinery in general and have entered CBAs with the employee bargaining units who actively participated in the design, review, operation, and improvement of the processes for redress of any grievance. The escalating procedure is intended to provide multi-level opportunities for clarification and settlement of disputes. An annual report is provided to Management which includes (as necessary) the handling, result and effectiveness of the grievance mechanisms and other remediation processes."				
	2-26 Mechanisms for seeking advice and raising concerns		Employees can directly coordinate or inquire with HR personnel handling Labor Relations through email, phone calls, SMS, and online platforms such as PETHUB and MyESS Employees covered by the CBA can raise/discuss concerns and inquiries through Labor Management Cooperation Meetings facilitated by Labor Relations personnel.				
	2-27 Compliance with laws and regulations		There has been no significant instance of non-compliance with laws and regulations in 2024, with significance being based on a material effect on the operations and/or financial condition of the Company.				
	2-28 Membership associations		<ul style="list-style-type: none"> Association of Foundations Association of Petrochemical Manufacturers of the Philippines Business for Sustainable Development Employers Confederation of the Philippines Federation of Philippine Industries Makati Business Club People Management Association of the Philippines Petroleum Institute of the Philippines Philippine Association of National Advertisers Philippine Business for Social Progress Philippine Chamber of Commerce and Industry Philippine Council for NGO Certification Philippine Institute of Petroleum The Wallace Business Forum Workplace Advocate on Safety in the Philippines, Inc. 				
	2-29 Approach to stakeholder engagement	23					
	2-30 Collective bargaining agreements		We have 24% of total Petron employees covered by collective bargaining agreements. We have active company policies in place for our employees not covered by collective bargaining agreements.				

MATERIAL TOPICS

GRI 3: Material Topics 2021	3-1 Process to determine material topics	24-25					
	3-2 List of material topics	24-25					

Economic Performance

GRI 3: Material Topics 2021	3-3 Management of material topics	63-64					11.2.1 11.14.1 11.21.1
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	63					11.14.2 11.21.2
	201-2 Financial implications and other risks and opportunities due to climate change	64					11.2.2
	201-3 Defined benefit plan obligations and other retirement plans	64					
	201-4 Financial assistance received from government	63					11.21.3

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Market Presence							
GRI 3: Material Topics 2021	3-3 Management of material topics	64-65					11.11.1 11.14.1
	GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	65				
202-2 Proportion of senior management hired from the local community		65					11.11.2 11.14.3
Indirect Economic Impacts							
GRI 3: Material Topics 2021	3-3 Management of material topics	66-67					11.14.1
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	66-67					11.14.4
	203-2 Significant indirect economic impacts	66-67					11.14.5
Anti-Corruption							
GRI 3: Material Topics 2021	3-3 Management of material topics	68					11.20.1
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	68					11.20.2
	205-2 Communication and training about anti-corruption policies and procedures	68					11.20.3
	205-3 Confirmed incidents of corruption and actions taken	68					11.20.4
Anti-Competitive Behavior							
GRI 3: Material Topics 2021	3-3 Management of material topics	68					11.19.1
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	68					11.19.2
Tax							
GRI 3: Material Topics 2021	3-3 Management of material topics	69-71					11.21.1
GRI 207: Tax 2019	207-1 Approach to tax	69-71					11.21.4
	207-2 Tax governance, control, and risk management	69-71					11.21.5
	207-3 Stakeholder engagement and management of concerns related to tax	69-71					11.21.6
	207-4 Country-by-country reporting	70-71					11.21.7
Materials							
GRI 3: Material Topics 2021	3-3 Management of material topics	27-28					
GRI 301: Materials 2016	301-1 Materials used by weight or volume	27					
	301-2 Recycled input materials used	27					
	301-3 Reclaimed products and their packaging materials	28					

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	

Energy

GRI 3: Material Topics 2021	3-3 Management of material topics	28-29					11.1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	28-29					11.2
	302-2 Energy consumption outside of the organization			Energy consumption outside of the organization	Information unavailable	Data not monitored	11.3
	302-3 Energy intensity	37					11.4
	302-4 Reduction of energy consumption	29					
	302-5 Reductions in energy requirements of products and services				Reductions in energy requirements of sold products and services achieved during the reporting period	Information unavailable	Data not monitored

Water and Effluents

GRI 3: Material Topics 2021	3-3 Management of material topics	32-34					11.6.1
GRI 303: Water and Effluents 2016	303-1 Interactions with water as a shared resource	32-34					11.6.2
	303-2 Management of water discharge-related impacts	32-34					11.6.3
	303-3 Water withdrawal	32-33					11.6.4
	303-4 Water discharge	32-33					11.6.5
	303-5 Water consumption	34					11.6.6

Biodiversity

GRI 3: Material Topics 2021	3-3 Management of material topics	34-36					11.4.1
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	35					11.4.2
	304-2 Significant impacts of activities, products and services on biodiversity	35					11.4.3
	304-3 Habitats protected or restored	35					11.4.4
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations			No IUCN Red List species and national conservation list species were affected by our operation.			

Emissions

GRI 3: Material Topics 2021	3-3 Management of material topics	36-38					11.1 11.2 11.3.1
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	37					11.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	37					11.1.6
	305-3 Other indirect (Scope 3) GHG emissions			Gross other indirect (Scope 3) GHG emissions	Information unavailable	Scope 3 not included in the 2024 report	11.1.7
	305-4 GHG emissions intensity	37					11.1.8
	305-5 Reduction of GHG emissions	37					11.2.3
	305-6 Emissions of ozone-depleting substances (ODS)	38					
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	38					11.3.2

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	

Waste

GRI 3: Material Topics 2021	3-3 Management of material topics	41-42					11.5.1 11.8.1
GRI 306: Effluents and Waste 2016	306-3 Significant spills				While we recognize critical incidents as a potential risk due to the nature of our industry, we have an Enterprise-Wide Risk Management Framework in place that addresses such risks to ensure business continuity while at the same time preventing, if not mitigating, negative impacts to our community and the public in general. For preventive and preparatory measures, we have in place contingency plans, standard operating procedures and manuals, regular drills and practices, regular inspections by authorities, insurers, consultants, and constant training of personnel. We are focused on the risk of oil spills, a risk that is considered to have a high impact, but a low probability of occurrence. For 2024, we have no incidents of significant oil spills.		11.8.2
	GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	41-42				11.5.2
	306-2 Management of significant waste-related impacts	41-42					11.5.3
	306-3 Waste generated	41-42					11.5.4
	306-4 Waste diverted from disposal	42					11.5.5
	306-5 Waste directed to disposal	42-43					11.5.6

Employment

GRI 3: Material Topics 2021	3-3 Management of material topics	45-47					11.10.1 11.11.1
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	46-47					11.10.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	47					11.10.3
	401-3 Parental leave	47					11.10.4 11.11.3

Labor/Management Relations

GRI 3: Material Topics 2021	3-3 Management of material topics	50-51					11.7.1 11.10.1
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	50-51					11.7.2 11.10.5

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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Occupational Health and Safety

GRI 3: Material Topics 2021	3-3 Management of material topics	51-53					11.9.1
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	51-53					11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	51-53					11.9.3
	403-3 Occupational health services	51-53					11.9.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	51-53					11.9.5
	403-5 Worker training on occupational health and safety	51-53					11.9.6
	403-6 Promotion of worker health	51-53					11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	51-53					11.9.8
	403-8 Workers covered by an occupational health and safety management system	52					11.9.9
	403-9 Work-related injuries	52-53					11.9.10
	403-10 Work-related ill health	52-53					11.9.11

Training and Education

GRI 3: Material Topics 2021	3-3 Management of material topics	53-55					11.7.1 11.10.1 11.11.1
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	54					11.10.6 11.11.4
	404-2 Programs for upgrading employee skills and transition assistance programs	55					11.7.3 11.10.7
	404-3 Percentage of employees receiving regular performance and career development reviews	54					

Local Communities

GRI 3: Material Topics 2021	3-3 Management of material topics	55-57					11.15.1
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	55					11.15.2
	413-2 Operations with significant actual and potential negative impacts on local communities	55-57					11.15.3

Customer Health and Safety

GRI 3: Material Topics 2021	3-3 Management of material topics	58-59					11.3.1
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	59					11.3.3
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	59					

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
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Marketing and Labeling

GRI 3: Material Topics 2021	3-3 Management of material topics	60-61					
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	60					
	417-2 Incidents of non-compliance concerning product and service information and labeling	60					
	417-3 Incidents of non-compliance concerning marketing communications	60					

Customer Privacy

GRI 3: Material Topics 2021	3-3 Management of material topics	61					
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	61					

Topics in the applicable GRI Sector Standards determined as not material

GRI 11: Oil and Gas Sector	
Topic	Explanation
Topic 11.12 Forced labor and modern slavery	Not applicable. We always aim to conduct our business responsibly and ethically. We respect international human rights principles aimed at promoting and protecting human rights, including the United Nations Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. By embracing these international principles as well as faithfully complying with Philippine labor laws, Petron is committed to policies and practices that enrich the workplace. As a result, the Company has not had incidents related to human rights abuses, labor discrimination, child labor, and forced labor.
Topic 11.13 Freedom of association and collective bargaining	Not identified as material based on the materiality assessment process. Petron upholds collective bargaining agreements (CBAs) with three labor unions: (i) the Bataan Refiners Union of the Philippines (BRUP), affiliated with the Philippine Transport and General Workers Organization; (ii) the Petron Employees Labor Union (PELU); and (iii) the Petron Employees Association (PEA), linked to the National Association of Trade Unions. It also has a structured 'Grievance Machinery' in the CBA to address any issues or concerns even as regular Labor Management Meetings between Management Representatives and Union Officers are regularly conducted.
Topic 11.16 Land and resource rights	For 2024, there were no material developments related to this topic.
Topic 11.17 Rights of indigenous peoples	Not applicable. Petron's operations do not involve nor infringe on the rights of any IP community
Topic 11.18 Conflict and security	Not identified as material based on the materiality assessment process. However, we recognize this as a potential risk and has systems in place in all our facilities and operations nationwide.
Topic 11.22 Public policy	Not identified as material based on the materiality assessment process. But as an acknowledged industry leader, Petron recognizes the value of our public policy positions on issues relevant to our business. Thus, we communicate our views constantly to government officials, providing business solutions to social and environmental concerns. We aid legislations, policies, and voluntary agreements, particularly those that relate to the oil industry, and how economic and social growth can be advanced through our sector.

Corporate Information

Information Assistance

Petron Corporation

SMC Head Office Complex
40 San Miguel Avenue
1550 Mandaluyong City
Telephone No.: (632) 8-884-9200
Fax No.: (632) 8-884-0945
Website: www.petron.com
Email Address: talk2us@petron.com
www.facebook.com/PetronCorporation
www.twitter.com/Petron_Corp

Shareholder Service and Assistance

For questions and comments regarding dividend payments, change of address, account status, loss or damaged stock certificates, please get in touch with:

SMC Stock Transfer Service Corporation

40 San Miguel Avenue 1550 Mandaluyong City
Trunkline: (632) 8-632-3450 to 52
Fax No.: (632) 8-632-3535
Email Address: smc_stsc@sanmiguel.com.ph

Investor Relations

Petron Corporation welcomes inquiries from analysts and institutional investors. Please write or call:

Investor Relations

40 San Miguel Avenue, 1550 Mandaluyong City
Telephone No.: (632) 8-884-9200
Fax No.: (632) 8-884-0964
Website: www.petron.com
Email Address: eypelim@petron.com

Sustainability Advisory and Technical Writing • **University of Asia and the Pacific–Center for Social Responsibility**

Photography • **Paul Quiambao**
Additional Photography • **Albert Labrador**
Content Design and Layout • **MediumX**





Petron Corporation

SMC Head Office Complex
40 San Miguel Avenue
1550 Mandaluyong City

Tel. (632) 8-884-9200
Fax (632) 8-884-0945
Email talk2us@petron.com
Facebook www.facebook.com/PetronCorporation
Twitter @Petron_Corp

www.petron.com