THE FUTURE WE'RE SHAPING

2025 SUSTAINABILITY REPORT





About the Theme: The Future We're Shaping

Amid a dynamic and challenging external environment, we continuously uphold our commitment to serve the nation and fuel the lives of the communities we support. These challenges have not only tested us; they have strengthened our ability to anticipate, manage, and adapt, reinforcing our resilience and readiness for the future.

Our resilience is anchored in our steady performance, built on a robust operational framework, effective sales strategies, and sound sustainability practices. These foundations enable us to navigate uncertainty while continuing to create long-term value. This resilience was built over time by the collective strength of our people. Through teamwork and a shared sense of responsibility, we are able to act with agility and purpose, ensuring that we remain forward-looking and resilient in an increasingly complex landscape.

In line with this, we continue to transparently report our environmental, social, and governance (ESG) performance, while strengthening the systems that support it, including our governance structures, risk management processes, and strategic integration.

Together with our stakeholders, we envision a future that meets present needs while safeguarding the ability of future generations to thrive, anchored in responsible and resilient sustainability actions.

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Petron Corporation

About the Report

GRI 2-2

As part of our ongoing efforts to enhance transparency and accountability, sustainability continues to shape our operational practices, governance structures, and decision-making processes. We recognize our fiduciary responsibility to prioritize the interests of our stakeholders by maintaining informed communication regarding our sustainability impacts and actively collaborating with them to achieve transformative and enduring outcomes.

Our report highlights how we are shaping the future, guided by our vision, mission, and purpose. This is supported by the mechanisms we have established, including our strategy, risk management, and governance structure. Our capacity to navigate this future is reflected in our reliable operational performance and environmental, social, and governance impacts. Drawing on our competitive position and commitment to sustainability, we share our aspirations for the future, emphasizing our readiness to withstand challenges and seize opportunities.

Guided by our "*Tapat Sa'yo*" campaign, we uphold integrity by disclosing our progress and challenges and consistently exceeding compliance standards as we progressively enhance our practices and standards. Consequently, we are empowered to better serve our customers by providing unwavering support throughout their journey.

Our 2025 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. The material topics covered align with the GRI 11: Oil and Gas Sector 2021, the United Nations Sustainable Development Goals (UN SDGs), and the focus areas of the Philippine Development Plan (PDP) 2023-2028.

We acknowledge the recently issued Securities and Exchange Commission (SEC) Memorandum Circular No. 16, Series of 2025, and we are undertaking a phased transition toward the adoption of the Philippine Financial Reporting Standards (PFRS), which are based on the IFRS Sustainability Disclosure Standards S1 and S2.

Our report covers our sustainability performance from January 1 to December 31, 2025, encompassing our operations in the Philippines including the Corporate Head Office, the Petron Bataan Refinery (PBR or Refinery) and the Polypropylene (PP) Plant, 29 terminals and sales offices nationwide (including New Sales Building), and our corporate social responsibility (CSR) arm, Petron Foundation, Inc (Petron Foundation or PFI). For 2025, we expanded the coverage of our reporting from 23 select company-owned service stations the previous reporting year to 131.

Throughout this report, we used the terms "Petron", "we", "our Company", and "our business" to refer to Petron Corporation.



THE FUTURE WE'RE SHAPING



Ramon S. Ang
President and CEO

To our valued stakeholders,

Petron has always been a reliable partner in our country's nation-building endeavors. Beyond strengthening fuel security, we are equally focused on ensuring that our growth is sustainable, our operations are responsible, and our leadership remains forward-looking.

Sustainability is firmly embedded in our business practices. It guides how we manage risks, allocate capital, enhance operational efficiency, and create long-term value. As we work toward the future we hope to build, we recognize that the continued progress of the Filipino people depends on how responsibly we care for our environment and look after the resources entrusted to us.

In 2025, we reaffirmed this commitment by strengthening our role as a trusted Filipino brand: delivering high-quality products, maintaining reliable and safe facilities, offering meaningful customer programs, and consistently providing outstanding value.

Operational sustainability and innovation

As we ramped up our production and distribution in 2025, we continuously strengthened our operational foundations through strategic investments in our refinery, terminals, and service stations These initiatives enhance supply chain integration, improve efficiency, and reinforce environmental performance throughout our value chain.

Throughout these efforts, our commitment to minimizing our environmental footprint guided every action we took. The production growth at the Petron Bataan Refinery was met with corresponding initiatives to reduce emissions, improve waste management, and conserve water and energy resources. By embedding self-audit mechanisms and performance metrics across our facilities, we foster accountability and continuous improvement. Innovation platforms further empower our workforce to develop solutions that enhance competitiveness, reduce costs, strengthen safety performance, and effectively manage environmental impact. Recognizing the growing shift toward vehicle electrification, we continue to expand our network of EV charging locations as part of our larger commitment to make our retail network more sustainable and future ready. Moreover, we continue to equip more of our stations with their own rainwater harvesting facility, which not only conserves scarce water but also motivates our community to lessen its environmental impact. More Petron facilities also utilize LED lighting and solar power to supplement their electricity needs, further contributing to our aggregate energy reduction. In 2025, our New Lube Oil Blending Plant in Manila became the first terminal to use solar power to partially power its operations, and signaling the first step to realizing their vision of converting all facilities under Operations to using solar power.

In what proved to be a highly challenging year, our shared commitment to growth and sustainability led to some of our strongest results to date. Net income reached ₱15.6 billion, an 84% increase over the previous year, driven by consistent domestic sales growth, improved refinery utilization in the Philippines and Malaysia, and disciplined cost management.

Our total sales from both local and international operations reached about 138 million barrels. Strong sales allowed us to optimize our refineries and benefit from more favorable economics. While revenues declined 7% to ₱810 billion due to lower international prices, operating income rose to ₱37.3 billion, marking a 28% increase over 2024.

Shared growth in our communities

We firmly believe that growth becomes more meaningful when it is shared. Our sustainability journey has been strengthened through collaborative efforts with government agencies, civil society organizations, host communities, and employees who generously contribute their time and expertise.

Through the Petron Foundation, our education and environmental programs have expanded in both reach and impact. In 2025, we sustained support for over 2,400 scholars under the *Tulong Aral ng Petron* (TAP) initiative, thereby strengthening access to quality education from elementary school through college and assisting in the development of brighter futures for Filipino youth.

Together we progress, anchored in service, advancing with purpose, and committed to fueling a stronger future for all.



Furthermore, through *Puno ng Buhay*, we have deepened our partnerships with local government units and environmental institutions to advance reforestation and mangrove rehabilitation initiatives. Collaborating with academic experts, including the University of the Philippines at Los Baños, we have enhanced the science-based measurement of carbon sequestration across our 55 hectares of mangrove sites in Davao, Roxas, and Bulacan. Building upon this momentum, we expanded our *Puno ng Buhay* reforestation program in Limay, Bataan. This is a joint effort with the Department of Environment and Natural Resources (DENR), Provincial Government of Bataan, local government of Limay, and SAMASAKA (*Samahang Magsasaka sa Kabundukan ng Limay Bataan Inc*.). These endeavors support the refinement of our climate targets while restoring biodiversity and creating sustainable livelihood opportunities for surrounding communities.

Additionally, we have continued collaborating with local governments and fisheries councils in Bataan to rehabilitate marine ecosystems and safeguard food security for coastal communities. Earlier this year, we formalized a partnership supporting Limay's Pawikan Conservation and Protection Program, a three-year initiative that encompasses the establishment of a pawikan hatchery within the municipality.

Moving forward with purpose

Looking ahead, we will further integrate ESG considerations into enterprise risk management and strategic planning processes. We will enhance our internal systems for measuring, monitoring, and reporting sustainability data to ensure greater accuracy, transparency, and accountability.

With the Securities and Exchange Commission (SEC) mandating Philippine companies to adopt the standards of the International Sustainability Standards Board (ISSB), we have initiated preparatory efforts for implementation. Members of Petron's ESG Technical Working Group have received training on the fundamentals of IFRS S1 (sustainability-related risks and opportunities) and IFRS S2 (climate-related disclosures), strengthening our readiness to align with evolving global reporting standards.

The foundations established over the past nine decades have positioned Petron as the Philippines' trusted fuel provider. At Petron, sustainability is a long-term commitment that requires resilience, collaboration, and innovation. With the support of our stakeholders and the dedication of our employees, we are confident in our ability to build enduring value for our Company, our communities, and for future generations. Together, we progress, anchored in service, advancing with purpose, and committed to fueling a stronger future for all.

Ramon S. Ang
President and CEO

About the Company GRI 2-1, 2-6



Petron Corporation, the largest oil company in the Philippines, serves the nation with a combined refining capacity of 268,000 barrels per day. As a major marketing company and the Philippines' sole oil refiner, we supply approximately 40% of the nation's total fuel requirements across land, air, and sea. We have also established a strong regional presence as a leading player in Malaysia.

Since 2010, Petron has been a subsidiary of San Miguel Corporation (SMC), one of the Philippines' most diversified 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).

Additionally, we operate internationally through our subsidiaries in Malaysia, including 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 trusted Filipino brand, Petron plays a significant role in strengthening energy security and supporting economic growth while responsibly managing its impacts on society and the environment. Guided by its purpose, Petron upholds excellence and continuously elevates the standards in the oil industry.

Our Sustainability Priorities	Our Vision and Purpose
ENVIRONMENTAL STEWARDSHIP SOCIAL WELL-BEING GOOD GOVERNANCE	**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. **Our Purpose** We drive the nation's development and uplift communities towards a sustainable future, by providing innovative fuel and mobility solutions.

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;	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

We take pride in our world-class facilities, which enable us to deliver premium-quality fuel to our customers. Our commitment to excellence is evident throughout the entire value chain, from the Refinery to our retail network.

PHILIPPINES

Refinery



The Philippines' only remaining oil refinery transforms crude oil, primarily sourced from the Middle East, into a full range of petroleum products, industrial fuels, and petrochemical feedstocks. These products support essential industries, enabling the production of home appliances, electronic devices, and even the clothes we wear. To meet stringent quality and environmental standards, our products undergo multiple processes. We continuously leverage innovation to enhance operational efficiency while reducing our emissions.

Terminals



From the Refinery, petroleum products are safely and efficiently transported, primarily by sea, to nearly 30 terminals nationwide. Through this extensive distribution network, we serve industrial customers across key sectors, including power generation, manufacturing, mining, and agribusiness, as well as government agencies such as the Armed Forces of the Philippines, the Philippine National Police, and the Philippine Coast Guard. We also supply jet fuel to both international and domestic carriers at major airports across the country.

Service Stations



Our extensive reach is evident at every touchpoint, as we operate the country's largest fuel retail network, with approximately 1,800 service stations nationwide, including far-flung areas. Our stations also serve as trusted hubs for mobility and convenience, where every interaction is handled with care and expert service.

MALAYSIA



Our operations stands as Malaysia's third-largest downstream provider in the oil and gas industry, encompassing 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.

Our Products and Services



We ensure that premium-quality products are always within reach. To meet our customers' evolving energy needs, we continually seek ways to innovate and uphold our high standards, while providing fair and reasonable prices. Our commitment to accessible pricing reflects our promise to make quality fuel available to all.

Our fuel lineup, including Blaze 100, XCS, Xtra Advance, Turbo Diesel, and Diesel Max, is 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 formulated to enhance vehicle performance under Philippine driving conditions.

We also offer Liquefied Petroleum Gas (LPG) brands, Gasul and Fiesta Gas, delivering safe and efficient energy solutions for both households and industries.

To enhance the overall customer experience, our services extend beyond fuel provision. We offer comprehensive automotive maintenance and repair services through our Car Care Center (CCC) and CCC Express outlets. Our service stations are strategically designed as convenient, one-stop destinations, incorporating food and service chains and Treats convenience stores in select locations. These amenities cater to the needs of customers seeking on-the-go services.

Fuels

Petron Blaze 100 · Petron XCS · Petron Xtra Advance · Petron Turbo Diesel · Petron Diesel Max

Lubricants

Petron Blaze Racing Gasoline Engine Oil · Petron Rev-X Diesel Engine Oil · Petron Sprint 4T Motorcycle Engine Oil

LPG

Petron Gasul · Petron Gasul Elite · fiesta GAS

JET A-1 • Kerosene
Propylene • Polypropylene
BTX (Benzene, Toulene, Xylene)

External Environment

The global and local business environment of the oil industry has impacted our business, influencing our operational strategies, market performance, and long-term sustainability initiatives. We have diligently monitored industry trends within the global and regional oil and gas sector. Notably, one of the most significant developments affecting our industry is the increasing transition toward cleaner energy, propelled by the rise of transport electrification, advancements in fuel efficiency, and the implementation of climate and sustainability policies.

The Transition to Clean Fuel

The Philippine government has promoted cleaner fuels through the enactment of the Electric Vehicle Industry Development Act (EVIDA) in 2022 and Executive Order No. 12 in 2023. These policies introduced and expanded incentives to enhance the accessibility of electric vehicles, including tax incentives, coding exemptions, and increased support for research and development. Furthermore, the government released the Philippine Energy Policy Direction: Philippine Energy Plan (PEP) 2023–2040 as the primary policy framework guiding the energy and fuel sector. This plan advocates for a strategic shift toward energy diversification and a reduced reliance on fossil fuels. As part of this plan, the PEP includes the maintenance of existing biofuel blending requirements until 2040 and the promotion of cleaner transportation through increased electrification. Internationally, there has been a growing emphasis on ESG considerations in the oil and gas sector. This shift is driven by stronger expectations for environmental protection, social responsibility, and sound corporate governance from both investors and consumers. Enhanced compliance with sustainability reporting, disclosure standards, and transparency requirements has become the norm. Notably, the Philippine SEC recently released its updated guidelines on sustainability reporting, which mandate more comprehensive sustainability and climate-related disclosures.

Implications for Petron: This strategic transition positions us at the forefront of regulatory and market transformations toward cleaner fuels and electrification. By investing in renewable energy sources such as solar and biofuels, we expand our business. Simultaneously, we enhance our ESG reporting through continuous capacity building to adopt global standards, notably IFRS S1 and S2, while increasing the number of terminals equipped with electric vehicle charging stations through our Petron Power Up program.

Climate Change

Climate change remains a critical global challenge, posing significant implications for both organizations and communities. In the Philippines, the escalating frequency of typhoons, droughts, extreme weather events, and flooding has profoundly impacted lives, livelihoods, and infrastructure. In response, the country persists in implementing policies that reinforce its unwavering commitment to decisive climate action. These policies encompass efforts to reduce greenhouse gas (GHG) emissions by 2030 and align with global clean energy commitments.

Implications for Petron: Climate change is a paramount concern for Petron, presenting both challenges and opportunities given our operations' reliance on natural resources. To address these risks and opportunities effectively, we are implementing a comprehensive approach. This includes expanding our S2 emissions reporting, integrating climate risks into our governance and risk management frameworks, and aligning our strategies with national and global climate objectives. By adopting these measures, we are committed to fostering a sustainable and resilient future.

External Environment

Resilience in Evolving Markets

One significant challenge ahead is the anticipated "oil glut" in 2026. By late 2025, indicators indicated slower demand growth compared to the 2015-2019 average, with global oil demand increasing by only 0.8 million barrels per day (mb/d), or 0.7% year-on-year, in Q3 2025. Oil and gas consumption has declined in advanced economies, while demand growth in China has moderated due to the accelerated adoption of electric and hybrid vehicles. In contrast, developing economies such as India remain major contributors to demand growth, driven by liquefied petroleum gas (LPG), gasoline, naphtha, and diesel consumption. This situation is exacerbated by an implied oil surplus that emerged in Q3 2025, linked to OPEC+ production target increases since April 2025. Observed inventory growth reflects only a portion of this implied surplus, suggesting an underlying or "hidden" oversupply [1]. The International Energy Agency (IEA) projects an estimated surplus of 2.3 mb/d in 2025, increasing to 4.0 mb/d in 2026, levels comparable to historical oversupply conditions during the COVID-19 pandemic [2].

Geopolitical instability continues to be a significant source of risk and volatility in the global oil market. Persistent geopolitical tensions influence both oil supply and global prices, creating uncertainty for oil-producing and importing countries. The ongoing Russia-Ukraine war has disrupted global oil trade flows and affected supply chains, while conflicts and instability in the Middle East pose risks to oil production and critical transport routes. Escalating Iran-Israel tensions and U.S. interventions in mid-2025 have further contributed to price volatility, complicating market expectations [3].

Implications for Petron: We recognize that market volatility is an inherent characteristic of the oil industry, and the projected oil surplus and decelerating demand growth pose operational and market challenges. Consequently, we persistently reinforce supply diversification, bolster risk management, and pursue strategic planning to navigate price fluctuations, sustain stable supply chains, and ensure resilience in an increasingly complex and dynamic environment.

Meaningful Stakeholder Engagement

In the current business landscape, the importance of collaborative and participatory engagement among stakeholders, particularly in socio-economic contexts, has become paramount. Stakeholders, encompassing consumers, policymakers, and the general public, increasingly anticipate that corporations demonstrate their societal involvement beyond their primary business functions and contribute to broader development objectives.

Implications for Petron: Our emphasis on collaboration is evident in our stakeholder engagement approach. We are committed to strengthening transparency, engagement, and partnerships across the communities we serve. Through Petron Foundation and our flagship program Fuel HOPE, we implement our CSR programs, including *Tulong Aral ng Petron* (TAP), *Puno ng Buhay*, reforestation initiatives, and coastal cleanups. These programs are executed in close collaboration with local communities and government partners.

Operating within a dynamic and complex environment influenced by energy transition pressures, evolving ESG and regulatory frameworks, climate change, market oversupply risks, geopolitical instability, and rising stakeholder expectations, we recognize that these factors pose challenges to traditional oil business models. However, they also present opportunities for strategic adaptation. Our sustained focus on operational efficiency, policy alignment, risk management, sustainability integration, and stakeholder engagement supports our competitiveness and strengthens our long-term resilience amidst the industry's structural transformation and contribute to the future we are shaping.

[1] Agnolucci, P., & Makarenko, N. (2025). Oil Market Glut: Rising Supply and Slowing Demand Shape 2025 Outlook. World Bank Blogs. https://blogs.worldbank.org/en/opendata/oil-market-glut--surging-output-and-sluggish-demand-pressure-pri

[2] Bosoni, T. (2025, December 11). Oil Market Report - December 2025 – Analysis - IEA. IEA. https://www.iea.org/reports/oil-market-report-december-2025

[3] Flowers, S. (2025, March 3). 5 trends shaping the energy world in 2025. World Economic Forum. https://www.weforum.org/stories/2025/03/5-energy-trends-2025/

Our sustained focus on operational efficiency, policy alignment, risk management, sustainability integration, and stakeholder engagement supports our competitiveness and strengthens our long-term resilience amidst the industry's structural transformation and contribute to the future we are shaping.



Governance: Driving Long-Term Value and Accountability GRI 2-9, 2-12

Our direction in shaping the future remains clear, guided by our leaders who emphasize the value of teamwork in everything we do. Our employees embrace this vision, recognizing the shared responsibility to deliver growth with accountability. This is made possible through leadership that prioritizes responsible growth, environmental stewardship, and meaningful social impact.

Our governance structure is strategically designed to align with the skills, expertise, and experience necessary to enhance our competitive edge as a pioneering force in the oil industry. This framework facilitates agile decision-making processes, enabling us to effectively manage risks and capitalize on opportunities in a dynamic external environment. Furthermore, we prioritize board diversity by ensuring a balanced and comprehensive representation. This is achieved by considering factors such as age, skills, industry experience, gender, competence, knowledge, and other relevant characteristics.

Our Board of Directors is composed of 15 members, three (3) of whom are independent. They are responsible for providing oversight and ensuring alignment of our activities with our Company's vision, mission, policies, and procedures. Our annual operating plan and quarterly results are reported to and approved by the Board of Directors. Petron is led by Mr. Ramon S. Ang, our President and CEO, and Mr. Lubin B. Nepomuceno, our Director and General Manager. Below is a list of Petron's directors as of December 31, 2025.

Director's Name	Age	Nationality	Position	Year Appointed as Director
Ramon S. Ang	72	Filipino	Director	2009
Lubin B. Nepomuceno	75	Filipino	Director and General Manager	2013
Ron W. Haddock	85	American	Director	2008
Aurora T. Calderon	71	Filipino	Director	2010
Mirzan Mahathir	67	Malaysian	Director	2010
Francis H. Jardeleza	76	Filipino	Director	2020
Virgilio S. Jacinto	69	Filipino	Director	2010
Nelly Favis-Villafuerte	89	Filipino	Director	2011
Jose P. de Jesus	91	Filipino	Director	2014
John Paul L. Ang	46	Filipino	Director	2021
Emmanuel E. Eraña	65	Filipino	Director	2025
Jacqueline L. Ang	39	Filipino	Independent Director	2025
Artemio V. Panganiban	89	Filipino	Independent Director	2010
Margarito B. Teves	82	Filipino	Independent Director	2014
Ricardo C. Marquez	65	Filipino	Independent Director	2022

The Board is supported by the following Board committees:

Committee	Description
Executive Committee	• 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	• Tasked to assist the Board of Directors in the performance of its corporate governance, nomination, and renumeration respopnsibilities 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	• 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	• 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	• 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.

Governance: Driving Long-Term Value and Accountability

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

The Corporate Governance Committee oversees the selection of the Board of Directors to ensure that candidates meet the following criteria:

- *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.*

This rigorous selection process enables us to appoint leaders who align with our corporate values and culture, and who possess the competencies necessary to make strategic decisions that strengthen the interests of our Company and our stakeholders.

As part of the Company's efforts to further integrate sustainability in its governance, in 2025, the directors and officers of the Company attended a corporate governance seminar facilitated by SGV & Co. which included a training on sustainability.

Sustainability governance GRI 2-13, 2-14

In response to the growing sustainability requirements and regulations, we have established an ESG Council, which is responsible for overseeing our environmental, social, and governance strategies and performance. The SEC's guidelines on sustainability reporting and other ESG frameworks and standards serve as our reference in appointing representatives to monitor our ESG performance. The Council is led by our General Manager and the Chief Finance Officer, along with key members of Senior Management, reflecting our commitment to aligning sustainability disclosures with financial performance. These clear lines of accountability enable us to make informed decisions and foster a shared responsibility in driving sustainable growth.

In 2023, we expanded the Council to include senior executives from all Petron business units. This expansion enables a more synergistic approach as we align our strategies with operations, the overall strategic direction of our parent company, SMC, and global developments. The involvement of division heads ensures clear direction and drives the identification and implementation of appropriate ESG programs across all business units. The Council actively monitors ESG performance, including the identification and approval of material topics, which are disclosed in our annual sustainability report. Members of the ESG Council underwent a two-day Training on the ISSB Sustainability Reporting standards in January 2025 as part of preparations for the new mandate by the SEC.

Co-Chairs

Lubin B. Nepomuceno
General Manager

Emmanuel E. Eraña
Senior VP and Chief Finance Officer

Steering Committee

Jacqueline L. Ang-Chai
VP for Procurement

Virgilio V. Centeno
VP for Industrial Sales

Rowena O. Cortez
VP for Supply

Lemuel C. Cuezon
VP for Marketing

Jonathan F. del Rosario
VP for CTSG and Operations

Jhoanna Jasmine M. Javier-Elacio
VP-General Counsel, Corporate Secretary and Compliance Officer

Myrna C. Geronimo
VP for Controllers

Allister J. Go
VP for Refinery

Jaime O. Lu
VP and Special Executive Assistant to the President*

Agnes P. Perez
AVP, Business Planning & Development

Mia S. delos Reyes
AVP, Corporate Affairs and Executive Director, Petron Foundation, Inc. **

Albert S. Sarte
Deputy Chief Finance Officer & Treasurer

Magnolia D. Uy
VP, Retail Sales

Rosario D. Vergel de Dios
VP for Human Resources

Freddie P. Yumang
Chief Risk Officer, Enterprise-Wide Risk Management Group

** ESG TWG Overall Lead*

*** Vice Chair*

Environmental TWG Lead	Social TWG Lead	Governance TWG Lead
Edith G. Cabrera	Mia S. delos Reyes	Jhoanna Jasmine M. Javier-Elacio

Technical Working Group

ENVIRONMENT	SOCIAL	GOVERNANCE AND ECONOMIC
Edith G. Cabrera Head, Corporate and Technical Services Group (CTSG)-Environment	**Mia S. delos Reyes** Assistant Vice President-Corporate Affairs and Executive Director, Petron Foundation, Inc.	**Jhoanna Jasmine M. Javier-Elacio** Vice President–General Counsel, Corporate Secretary & Compliance Officer
Alejandro R. Romulo Petron Bataan Refinery AVP-PBR Technical Services	**Luisito Paolo E. Barba** Corporate Safety Manager	**Maria Crisselda T. Torcuator** Legal Counsel
Glemel A. Baliling Operations Services Manager	**Lia Therese V. Bongao-Gatchalian** HRMD Organizational Development, Talent Acquisition and Development Manager	**Kristine H. Palaganas** Strategic Communications Manager, Corporate Affairs
Ramon P. Mendoza Retail Engineering and Network Development (REND) Technical, Admin & Business Support Manager	**Maria Crisselda T. Torcuator** Legal Counsel	**Camille D. Calderon** Procurement Governance Manager
	Alma T. Peralta Sales Training and Business Process Manager	**Virgilio B. Ramos** Management Information Systems Department I.T. Security Manager
	Ronald Allan S. Victorino Project Officer, Petron Foundation, Inc.	**Nikki Lou O. Baqueriza** Supply Trading Manager
		Ronald Q. Chiong CTSG-R&D Research and Development Manager
		Paz R. Nery Business Planning and Development Capital Projects Manager
		Leandro J. Datario Controllers Consolidation & Statutory Reports Manager
		Erich Y. Pe Lim Investor Relations Manager, Treasurers
		Romed Jefre S. Gabrillo Enterprise-wide Risk Management Group Risk Manager

Governance: Driving Long-Term Value and Accountability



Remuneration approach GRI 2-19, 2-20

As part of our strategy to maintain a competitive and capable executive team, the remuneration of our senior executives is commensurate with the value of the services they provide to the Company. In addition to statutory benefits, each executive officer receives a general description of their benefits, which include those enjoyed by all employees, such as medical and life insurance, vacation, sick and emergency leave, and participation in the savings plan program.

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. We provide each non-executive director 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 2025 were endorsed by the Corporate Governance Committee and approved by the Board on March 4, 2025 upon the finding of the Corporate Governance Committee that such fees were reasonable and commensurate to the services to the rendered. The matter was ratified by the stockholders at 2025 the Annual Stockholders' Meeting held on May 2, 2025 (as disclosed in the minutes of the 2025 Annual Stockholders' Meeting).

Policy commitments GRI 2-23

Guided by our commitment to good corporate governance, we have established policies that reinforce ethical conduct and responsible business practices across our Company.

Corporate Policy	Description
Revised Whistle-blowing and Non-Retaliation	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 upholds 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 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.

Our Path to a Sustainable Future: ESG and Sustainability Framework GRI 2-22, 2-23

We are guided by our sustainability framework as we pursue a resilient and responsible path forward. Anchored on three fundamental pillars, environmental, social, and governance, it provides a structured approach to managing our impacts while creating long-term value for our stakeholders.

This framework is rooted in the vision of our parent company, SMC, to establish a "World of Good," and is aligned with globally recognized sustainability frameworks and standards, strengthening our ability to navigate evolving expectations and contribute meaningfully to sustainable development.







Environmental Stewardship

- 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.

Social Well-Being

- 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.

Good Governance

- 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.

Risk Management: Building Resilience in a Changing Landscape

The Company's resilience is manifested in its capacity to anticipate, assess, and mitigate risks effectively. The dynamic nature of the oil industry necessitates agility in both risk management and leveraging on emerging opportunities. The Company is guided by its Enterprise-Wide Risk Management ("ERM") framework, with programs designed to enable the organization to achieve its corporate objectives while managing risks that may adversely impact the attainment of such objectives. Risk management is integrated into the daily operations and performance of the entire organization. Identified risks are analyzed and evaluated and major risks are regularly reported and raised to top management level for continuous monitoring and decision-making. The risk management process is also integrated into the yearly business planning of all major divisions and departments. The ERM framework, which is based on ISO 31000, likewise searches for strategic risks that may present opportunities and create or add value to the Company.

The Company has a designated Chief Risk Officer who supervises the 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 Enterprise-wide Risk Management Group, tasked to lead the enterprise risk management program of the Company. All the Company Division heads are designated owners of the risks emanating from their respective groups and each group is represented in the Risk Management Committee, a working group that regularly monitors the risk management program and ensures the alignment of objectives and implementation of processes across the organization and daily operations.

In evaluating risks across each division and the Company as a whole, the organization's risk appetite and tolerances are considered. Risks with a high probability of occurrence and substantial financial consequences are prioritized, and measures are implemented to eliminate or mitigate them, ensuring that they do not impede the realization of the Company's business objectives.

In 2025, the following were given such priority attention:

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. 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 ISO 9001, 14001 and 45001). 28 of the Company's terminals have been certified under the ISO 9001 (QMS), ISO 14001 (EMS), and ISO 45001 (Occupational Health and Safety Management System) standards. 14 Petron pier facilities are also 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's Office of the Transport Security. 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.

Risk Management: Building Resilience in a Changing Landscape

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 Iran, Gaza, conflicts at the Red Sea, the Russia-Ukraine war, and US tariff imposition and trade war have resulted in huge 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.
Cybersecurity 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 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.

Subsequent Events and Strategic Risk Response: The 2026 U.S.-Iran War and the Effects on Global Oil Prices and Supply



In the first quarter of 2026, the United States and Israel jointly attacked Iran, pushing the prices of Dubai crude to more than US$ 100 per barrel in March, coming from an average of just US$ 62 in January. This market reaction was driven by concerns over global oil supply following the closure of the Strait of Hormuz, a strategic transit route through which 20% of global oil passes. With the persisting conflict in the Middle East, the oil market continues to be highly volatile with huge fluctuations in prices of both crude and finished products.

The Company sources most of its crude oil requirements from the Middle East under term supply arrangements, and the closure of the Strait of Hormuz has affected the movement of crude oil from the region. In response, the Company has undertaken measures to support the continuity of supply, including pursuing alternative sources of crude oil through its network of suppliers and securing imported fuel products to supplement refinery production and maintain product availability.

In the face of these market uncertainties, the Company remains focused on ensuring supply chain reliability in the sourcing of crude and products, optimizing inventory levels, and exercising prudent cost management to mitigate the adverse effects of the Middle East conflict and implement appropriate measures to ensure the continuity of supply, operations, and cash flows amid the oil market volatility and disruptions in 2026.

We preserve the integrity of 2025 reporting while enhancing decision-usefulness through a clearly delineated 2026 subsequent risk and response disclosure. This demonstrates Petron's ability to integrate sustainability, risk, and financial decision-making in near real-time under volatile market conditions.

Stakeholder Engagement and Materiality Assessment GRI 2-29, 3-1, 3-2

We maintain the highest standards of integrity in all our interactions, ensuring transparency and accountability to our stakeholders. Through regular engagement, we actively seek their perspectives and feedback, which guide the continuous improvement of our programs, operations, and decision-making processes. In addition to delivering high-quality products and services, we prioritize the well-being of the communities we serve. We are committed to creating meaningful and enduring impact, contributing to the social, economic, and environmental development of the communities where we operate.

Stakeholder Groups	How We Engage Them
Shareholders	• Annual stockholders' meeting • Consultations • Distribution of Sustainability Reports • Timely and transparent disclosures
Government and regulators	• Dialogues and representations with both executive and legislative branches of government and relevant regulatory agencies
Industry/business groups	• Membership in key industry associations
Consumers	• 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	• 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	• 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	• Annual and quarterly financial reports and an annual sustainability report • Regular submission of reports and disclosures to regulatory agencies (e.g., SEC, PSE)
Academe	• Partnership with schools through the Department of Education (DepEd) for Petron's scholarship programs
Suppliers, contractors, and third-party service providers	• Alignment meetings • Demonstration teaching and program walkthroughs • Post program feedback
Civil society organizations (CSO)/ non-governmental organizations (NGO)	• Membership in major civil society organization/non-government organization (CSO/NGO) • Partnerships with like-minded organizations
Media	• Media advisories/press releases • Annual stockholders' meeting

We have consistently reported on our 20 material topics, which were identified in collaboration with our independent third-party expert, the University of Asia and the Pacific – Center for Social Responsibility (UA&P-CSR). Through double materiality assessment, these topics were determined based on their significant impact on both our enterprise value and the broader socio-economic environment. We continuously measure, monitor, and report on these topics, utilizing them as a key reference to enhance our sustainability performance and to drive innovation in addressing the evolving needs of our stakeholders.

Our materiality assessment process followed these key steps:

1. Identified material ESG topics through desk research and benchmarking with local and international industry peers
2. Engaged in consultations with both internal and external stakeholders to gather insights on material ESG topics
3. Prioritized and validated material ESG topics by Senior Management

UA&P-CSR conducted a series of visits to selected Petron facilities to assess the Company's sustainability performance. These visits provided an opportunity to identify key highlights of the Company's sustainability initiatives and programs implemented during the reporting period. Additionally, the facilities were informed about emerging sustainability developments that could potentially impact their operations.







Refinery	Terminal Operations	Service Stations
Petron Bataan Refinery	Petron Davao Terminal Petron Roxas Terminal	Tarlac

Stakeholder Engagement and Materiality Assessment

To demonstrate our unwavering commitment to the nation's sustainable growth, we have aligned our material topics with both global and local development priorities. Notably, we have incorporated the United Nations Sustainable Development Goals (UN SDGs) and the Philippine Development Plan 2023-2028 into our strategic framework. This alignment ensures that our sustainability initiatives not only mitigate the most significant impacts on our business and stakeholders but also make a substantial contribution to broader societal and environmental progress.



Material Topic	Alignment with UN SDGs	Alignment with Philippine Development Plan
ENVIRONMENTAL		
Materials	8 12	• Accelerate Climate Action and Strengthen Disaster Resilience
Energy	7 8 12 13	• Accelerate Climate Action and Strengthen Disaster Resilience • Expand and Upgrade Infrastructure
Water and Effluents	6 12	• Accelerate Climate Action and Strengthen Disaster Resilience • Expand and Upgrade Infrastructure • Promote Human and Social Development
Biodiversity	6 14 15	• Accelerate Climate Action and Strengthen Disaster Resilience
Emissions	3 12 13 14 15	• Accelerate Climate Action and Strengthen Disaster Resilience • Promote Human and Social Development
Waste	3 6 8 11 12 15	• Accelerate Climate Action and Strengthen Disaster Resilience • Promote Human and Social Development
SOCIAL		
Employment	3 5 8 10	• Promote Human and Social Development • Increase Income-earning Ability
Labor–Management Relations	8	• Promote Human and Social Development
Occupational Health and Safety	3 8 16	• Promote Human and Social Development
Training and Education	4 5 8 10	• Promote Human and Social Development • Increase Income-earning Ability
Local Communities	1 2	• Promote Human and Social Development
Customer Health and Safety	16	• Promote Human and Social Development
Marketing and Labeling	12 16	–
Customer Privacy	16	–

Material Topic	Alignment with UN SDGs	Alignment with Philippine Development Plan
ECONOMIC / GOVERNANCE		
Economic Performance	8 9 13	• Ensure Macroeconomic Stability and Expand Inclusive and Innovative Finance
Market Presence	1 5 8	• Ensure Macroeconomic Stability and Expand Inclusive and Innovative Finance • Increase Income-earning Ability
Indirect Economic Impacts	1 3 5 8 9 11	• Expand and Upgrade Infrastructure • Promote Human and Social Development • Increase Income-earning Ability
Anti-Corruption	16	• Promote Competition and Improve Regulatory Efficiency • Practice Good Governance and Improve Bureaucratic Efficiency
Anti-Competitive Behavior	16	• Promote Competition and Improve Regulatory Efficiency • Practice Good Governance and Improve Bureaucratic Efficiency
Tax	1 10 17	• Ensure Macroeconomic Stability and Expand Inclusive and Innovative Finance

Our ESG Performance: 2025 ESG Performance at a Glance

Program/Initiative	Starting Year of Implementation	Gains	Savings (PhP)
SMC Water for All	**2016**	**Refinery** Scarce Water Reduction 2025 only: 3.94 million liters 2016–2025: 29.74 million liters	
		Recycled Water Usage 2025 only: 0.83 million liters 2016–2025: 6.26 million liters	Savings on Recycled Water 2025 only: ₱2.66 million 2016–2025: ₱24.86 million
Use of Waste Energy (Low Pressure Steam) in Desalination Plant	**2016**	**Refinery** **Avoided GHG** 2025 only: 114,319.36 tons CO_2e 2016–2025: 674,689.54 tons CO_2e **Avoided Fuel** 2025 only: 35,176 MT of petcoke 2016–2025: 200,968.00 MT of petcoke	**Refinery** 2025 only: ₱136.81 Million 2016–2025: ₱851.49 Million
Commissioning of Refinery Co-Generation Facility Phase 3	**2022**	**2025 only** 77,751.73 kL Fuel Oil Savings 234,863.86 tons of avoided CO_2e (refinery only boundary)	**2025 only** ₱1,486.73 million savings from avoided fuel
Diversification to Petrochem (Benzene, Toluene, Mixed Xylene, Propylene, Polypropylene)	**1999** (Mixed Xylene) **2008** (Propylene, Benzene, Toluene) **2014** (Polypropylene)	**Refinery** In 2025, the avoided GHG as Scope 3 if used as fuel was at 1,374,990.324 tons CO_2e.	
Steam Watch	**2024**	**2025 only** 14,772 MT of avoided fuels (petcoke and coal) equivalent to 34,718.7 MT CO_2 reduced **2024-2025** 22,829 MT of avoided solid fuels (petcoke and coal) equivalent to 53,912.99 MT CO_2 reduced.	**2025 only** ₱56.1 million in savings **2024-2025** ₱92.36 million in savings
LED Conversion and Solar Power Usage	**Refinery** (2013 for offices, 2016 for streetlights)	**Refinery** 2025 only: 317,008.08 kWh/ 219.845 tons CO_2 reduced 2013-2025: 899.773.51 kWh/ 603.765 tons CO_2 reduced	**Refinery** 2025 only: ₱0.63 million 2013-2025: ₱1.63 million
	Terminals (2018)	**Terminals** 344,394 kWh saved/ 246.41 tons CO_2e reduced in 2025	**Terminals** ₱3.9 million on electricity cost in 2025
	Service Stations (2018)	**Service Stations** 8,657 MWH/6,165 tons CO_2e reduced for 1,673 service stations from conversion of Under Canopy Lighting to LED since 2020	**Service Stations** ₱86.9 million on electricity cost

Program/Initiative	Starting Year of Implementation	Gains	Savings (PhP)
Hazardous Waste Recycling (Refinery)	**2018**	**2018-2025** 14,393 MT hazardous waste diverted from disposal	**2018-2025** ₱92.41 million
		2025 only 2,222 MT of hazardous waste	**2025 only** ₱11.69 million
Continuous to Batch Treatment at Spent Caustic Treater (Refinery)	**2020**	**2020-2025** 18,018.59 MT CO_2e reduced 252,320.55 GJ Energy Reduced	**2022-2025** ₱151.15 million in savings
		2025 only 3,097.854 MT CO_2e 43,379.53 GJ Energy Reduced	**2025 only** ₱25.56 million in savings
Direct Fired Air Heater (DFAH) De-Commissioning	**2024**	**2025 only** 5.48 million standard cubic meters or sm^3 of Fuel Gas savings equivalent to 11,338 MT CO_2e reduced	**2025 only** ₱131.1 million in savings
		2024–2025 8.97 million standard cubic meters or sm^3 of Fuel Gas savings equivalent to 18,546 MT CO_2e reduced	**2024–2025** ₱228.72 million in savings

New Programs

Program/Initiative	Starting Year of Implementation	Gains	Savings (PhP)
MXU Energy Optimization (Refinery)	**2025**	5,829.141 MT CO_2e avoided GHG 81,625.99 GJ Energy Reduced	₱67.4 million
Enhanced KM-1/2 Hot Water Washing (Refinery)	**2025**	1,010.891MT CO_2e avoided GHG 14,155.59 GJ Energy Reduced	₱8.85 million savings from avoided fuel and steam consumption
Repurposing Spent Chemicals to WWTP-2 (Refinery)	**2025**	641.41 MT CO_2e avoided GHG 11,422.55GJ Energy Reduced	₱11.23 million
LPGT-3/4 Spent Caustic Reduction and Utility Benefit Program (Refinery)	**2025**	10.874 MT CO_2e avoided GHG 56.45 GJ Energy Reduced	₱12,630 savings in power consumption ₱2.5 million savings from reduction in spent caustic generation

Our ESG Performance: 2025 ESG Performance at a Glance



Employment

2,355	employees (Philippines)*
6.4%	attrition
100%	of employees received regular performance reviews

Occupational Health and Safety

Nearly **17 million**	accumulated safe-man hours for all Petron facilities and personnel (including from the Head Office)
10,078	total safety training hours for Petron employees and third-party personnel

Product Responsibility

1,190,233	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 4,587

** Included transactions (voice and non-voice) received by Talk2Us, PGED (Petron Gasul Express Delivery), Loyalty Ops, and SMCM (Social Media Community Management) Group. Excluded transactions from Petron Business Center and Cards Ops (Fleet and Prepaid) aligned with previous year report

Local Communities

Education

- **2,454** *Tulong Aral ng Petron* (TAP) scholars from elementary to high school (SY 2024-2025)
- **20** TAP college scholars from NCR and Mindanao (Davao, General Santos City, Iligan City, Misamis Occidental, Misamis Oriental, Zamboanga) for SY 2024-2025
- **108** Petron Schools (equivalent to 256 classrooms) built since 2002
- **100** public schools in Luzon, Visayas, Mindanao and NCR assisted through Brigada Eskwela 2025
- **38** new Electrical and Mechanical Engineering scholars from Bataan Peninsula State University under the Refinery Engineering Scholarship program (18 for SY 2024-2025) and (20 for 2025-2026)

Environment

- **55 hectares** of mangrove areas in Bulacan, Capiz, and Davao del Sur and 30 hectares of upland forest adopted under *Puno ng Buhay*
- **16,270** seedlings and propagules planted
- Approximately **23,000 kilograms** of debris removed from shorelines
- **42 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
- Over **4,380** beneficiaries of Petron's Rosario Livelihood Loan Assistance Program since 2011
- **78** Petron engineering scholars currently employed in the Petron Bataan Refinery for regular positions
- **215** scholars hired by Petron including Bataan Peninsula State University (BPSU) scholars hired as apprentices or cadets

Governance

- **₱15.63 billion** consolidated net income (84.5% increase from 2024 performance)
- **₱809.77 billion** consolidated revenues (6.7% decline from 2024 performance)
- **₱61 million** in community investments

Management Systems

1 Refinery	ISO 14001:2015, ISO 9001:2015, and ISO 45001:2018 (IMS Certified)
28 Terminals nationwide	ISO 9001 (QMS)
28 Terminals nationwide	ISO 14001 (EMS)
28 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, Inc.	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

Shaping an Environmentally Responsible Path

For Petron, an environmentally responsible path means sustaining our operations while systematically evaluating our environmental impacts across the entire value chain. Guided by a circular economy approach, we aim to reduce emissions, safeguard biodiversity, and optimize water usage. We integrate innovation into our operations to minimize our environmental footprint, ensuring that environmental stewardship is an integral aspect of our business practices. Our pursuit of operational excellence extends beyond regulatory compliance, reflecting our commitment to higher environmental standards.

In shaping a low-carbon future, we actively contribute to climate action through collaboration with experts and organizations, conducting science-based assessments and initiatives such as carbon sequestration. These partnerships demonstrate our commitment to evidence-based approaches that deliver measurable results and create long-term positive environmental impact.



Resource Use

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

Crude oil plays a pivotal role in the global economy, and its price volatility significantly impacts economic growth and global well-being. Fluctuations in crude oil prices continue to pose substantial challenges to the oil sector, compounded by rapidly evolving global trends. Amid these external challenges, we remain resilient and committed to responsible materials management practices that enable us to stay competitive while supporting national energy needs. As the largest oil company in the Philippines, we take pride in our commitment to responsible materials management practices.

Since crude oil, a non-renewable resource susceptible to depletion, constitutes our primary raw material, we prioritize its effective management through responsible and sustainable utilization, encompassing all resources involved in our operations. Through the collective efforts of our employees and partners, we promote a culture of shared responsibility in managing materials efficiently and sustainably. Furthermore, we maintain a comprehensive Logistics Management Plan to ensure a stable supply of petroleum products while effectively mitigating risks associated with price fluctuations.

In 2025, we utilized a total of 9,028,455.90 metric tons (MT) of non-renewable materials, including crude oil, imported fuels, raw materials, and packaging materials. This represents an increase from our 2024 record, primarily driven by a 19.2% rise in crude oil processing volume during the year.

Likewise, the use of renewable materials also increased, reaching 239,261.24 MT in 2025 compared with 176,255.84 MT in 2024. These renewable inputs are derived from the biofuel components of liquid fuels used in our facilities, including ethanol and Coco Methyl Ester (CME), in compliance with the Biofuels Act of 2006. The increase in 2025 was mainly attributable to the higher volume of CME blended into fuels following the full-year implementation of the mandated 3% biodiesel blend.

Materials used by weight or volume (in MT)

Requirements	2025	2024	2023
Non-renewable materials used [1]	9,028,455.90	8,492,999.65	8,443,206.10
Renewable materials used [2]	239,261.24	176,255.84	148,003.14

[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*

In 2023, we launched our Extended Producer Responsibility (EPR) Program to proactively manage the actual and potential risks and impacts associated with the materials used in our operations. The program focuses on reducing and recovering plastic packaging used in our lubricants business, in alignment with the objectives of the EPR Act of 2022.

The key strategies under this initiative include:

- *Redesigning containers to reduce weight and exploring alternative packaging materials to minimize plastic use*
- *Partnering with retail stations, lube retail outlets, and distributors to collect and recover used packaging materials from consumers, while enabling terminals to facilitate the collection and recycling of tamper-proof seals*
- *Converting recovered containers into plastic pellets through partnerships with recycling facilities; these pellets are blended with virgin plastic resin to produce new bottles with recycled plastic content*
- *Working with plastic waste management partners to collect and recycle post-consumer plastic, helping offset our overall plastic packaging footprint*

Shaping an Environmentally Responsible Path

In line with our commitment to responsible materials management and the increased use of recycled inputs, selected packaging formats incorporate post-consumer recycled plastic where technically feasible. Subject to the availability and quality of recycled plastic pellets, 1-liter Jerry Can containers may contain approximately 10-15% recycled plastic content, while 4-liter Jerry Can containers may contain approximately 15-30%. The use of recycled content is carefully managed to ensure continued compliance with product safety, quality, and performance requirements, and reflects our ongoing efforts to support circular economy practices within our packaging value chain.

We further strengthened our materials recovery performance, with reclaimed products and packaging materials increasing from 1,032.06 metric tons (MT) in 2024 to 1,419.23 MT in 2025. This improvement reflects the continued rollout of our EPR implementation in compliance with Philippine regulations, supported by a combination of operational recovery initiatives, direct material collection, and partnerships across the waste management value chain. As part of this approach, we worked with our waste diversion partners through the use of Plastic Credits, which complemented our physical recovery efforts by enabling the equivalent recovery and diversion of covered plastic packaging. We directly collected 14.23 MT of plastic seals from operations, which were subsequently sent to a waste treatment facility for proper processing. Together, these measures demonstrate our commitment to responsible plastic lifecycle management, regulatory compliance, and the progressive strengthening of circular economy systems in the Philippines.

Building on these initiatives, we remain committed to advancing sustainability across our operations, adhering to environmental regulations and ISO-based management systems. Through teamwork across our organization and partners, we will continue to reduce waste, minimize environmental impacts, and promote circularity in material use while strengthening long-term value creation for our stakeholders.

Energy Management

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

As an oil company, we acknowledge that energy is crucial for our sustained operations and economic growth. Our objective is to strike a critical balance by enhancing efficiency while safeguarding ecosystems and contributing to the well-being of our local communities.

In pursuit of this goal, we are committed to responsible energy usage throughout our operations and actively exploring innovative solutions. This extends beyond efforts in consumption reduction but encompasses opportunities to invest in cleaner energy sources. Based on our five-year development program, our primary focus is to channel investments in advanced energy-efficient lighting and initiatives that promote conservation at all levels. We have already transitioned to solar-powered and LED lighting at service stations, implemented rainwater harvesting, and developed EV charging stations. Additionally, we have reinforced efforts on efficient biofuel usage and waste management. This commitment includes strict adherence to environmental regulations and industry standards to ensure a responsible and proactive approach to energy management. By leveraging efficient technologies and processes, we enhance sustainability in our overall operations.

A significant portion of our energy management program is the Refinery Solid Fuel Fired Power Plant (RSFFPP) or co-generation (cogen) plant. This facility enables the reduction of the Refinery's combined scope 1 and 2 emissions by replacing thermal boilers with the recovery and conversion of waste heat to produce steam. Simultaneously, this process generates electricity that provides a reliable power supply to the refinery, ensuring that plant shutdowns caused by external power interruptions are avoidable at any given time.



During the process, the plant optimizes its efficiency. The RSFFPP Phase 3 project incorporates advanced technology, such as a Circulating Fluidized Bed (CFB) Boiler, which facilitates efficient and clean solid fuel combustion. A heat recovery system further enhances energy conservation by capturing heat from process streams to preheat furnace feeds. Furthermore, hot flue gases from furnaces are utilized to generate steam or combustion air. This dual approach enhances fuel flexibility, diminishes emissions, and promotes more efficient combustion techniques.

Our energy consumption increased this year due to the 19% rise of crude run at the Refinery and increased export power, driven by higher RSFFB utilization. In terms of renewable energy sources, the use of biomass fuels (liquid) decreased due to improved operational reliability of the Circulating Fluidized Bed (CFB) boilers, which led to fewer instances of downtime that would otherwise require diesel consumption for start-up activities. Furthermore, this has also resulted in lower fuel oil consumption from our thermal power plant. This also reduced our reliance on electricity sourced from the grid. The fuel gas network modification to maximize recovery of fuel gas and lower incidence of process upset has resulted in reduction in gas flaring.

Energy consumption within the organization (in GJ)

Requirements	2025	2024	2023
Total energy consumption from non-renewable sources	45,679,559.50	40,784,475.15	45,528,188.72
Total energy consumption from renewable sources	6,408.95	3,666,81	2,814.13
Electricity consumption	120,197.90	201,335.97	259,924.70
Electricity sold	806,735.95	513,943.99	748,720.37
Total energy consumption within the organization	45,872,741.97	41,508,886.88	46,292,863.83

Despite higher energy consumption due to increased crude processing, we strengthened our energy efficiency initiatives, as reflected in lower energy intensity this year. These initiatives contributed to optimized operations, improved reliability, and more efficient steam usage.

Energy intensity

Facility	2025	2024	2023
Refinery	380 GJ / MB Crude Processed	419 GJ / MB Crude Processed	454 GJ / MB Crude Processed
Co-Generation Facility	3.11 GJ / MWH	3.16 GJ / MWH	3.05 GJ / MWH
Integrated (Refinery + Co-Generation Facility)	584.61 GJ / MB Crude Processed	649 GJ / MB Crude Processed	684 GJ / MB Crude Processed

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In addition, we reduced our energy consumption by a total of 152,021.15 GJ through our energy conservation and efficiency initiatives. In 2025, various energy reduction initiatives were sustainably implemented, including the Spent Caustic Treater batch operations, decommissioning of the FCC 2 DFAH, fuel gas network modifications enabling maximization of fuel gas (which has lower GHG intensity than fuel oil) to process heaters, optimization of steam consumption for steam driven equipment, and reduction of steam losses through intensified steam leak repairs.

Additional reductions were realized through the Mixed Xylene Unit (MXU) Energy Optimization, enhanced KM 1/2 hot water washing procedures, repurposing of refinery spent chemicals at WWTP 2, and the LPGT 3/4 Spent Caustic Reduction and Utility Benefit Program.

Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives (in GJ)

Requirements	2025	2024	2023
Fuel	150,583.66	366,932.95	65,481.43
Electricity	2,437.50	3,432.67	1,232.19
Total	153,021.15	370,365.62	66,713.62



Water Management

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

Water is vital across our value chain, used for maintaining safe, reliable, and efficient operations. Simultaneously, we acknowledge that water is a shared and essential resource for the communities within which we operate. Guided by this responsibility, we continuously enhance our efforts to optimize water efficiency and reduce reliance on freshwater sources. Beyond managing consumption, we implement effluent management practices to safeguard water quality and protect aquatic ecosystems, reinforcing our commitment to a more sustainable future.

We consistently adhere to applicable environmental standards governing water use and discharge. At our Refinery and Terminals, we maintained strict compliance with regulatory limits, including the timely renewal of discharge permits. At the Refinery, we implemented Project CODy (Chemical Oxygen Demand), which reduces wastewater generation and enables our wastewater treatment facilities to meet more stringent effluent standards. At our terminals, rainwater harvesting systems continue to reduce our dependence on freshwater sources. Concurrently, our service stations upgraded wastewater treatment facilities, further enhancing treatment efficiency and compliance with the Clean Water Act.

We actively contribute to our parent company's water conservation targets. Under the SMC Water for All program, we further enhanced our performance by reducing scarce water consumption by 28.83% compared to our 2016 baseline. Since the program's commencement, optimized water usage has enabled us to reduce scarce water consumption by 29,332.56 million liters.

We recognize that 99.98% of our total water withdrawal originates from water-stressed areas, underscoring the paramount importance of responsible water management. To address this, we have optimized our water sources by prioritizing the utilization of seawater and rainwater harvesting over groundwater extraction. We have diligently sustained the implementation of water conservation programs aimed at reducing the utilization of scarce water resources, particularly groundwater.

Our total water withdrawal amounted to 143,766.27 megaliters (ML), representing a reduction of more than 5% compared with the previous year. This decline reflects our ongoing efforts to improve water efficiency across our operations. By optimizing control settings in our cooling systems, we reduced the volume of seawater required for cooling processes. Of the total water withdrawn, 92% was sourced from infinite or non-scarce resources, such as seawater and rainwater.

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
2025	0	11,250.66	132,234.35	9.11	272.14	143,766.27	11,531.92	132,234.35
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

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
2025	**0**	**11,239.16**	**132,223.96**	**7.68**	**264.65**	**143,735.45**	**11,511.49**	**132,223.96**
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

In 2025, our total water discharge reached 134,297.64 ML, representing a decrease of more than 6% compared with the previous year as PBR optimized the use of seawater for cooling. Of this volume, 99.89% was discharged into seawater, with the remaining portion released into surface water bodies and third-party destinations. In water-stressed areas, total discharge amounted to 134,270.80 ML, bulk of which was released into seawater.

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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
2025	**141.52**	**0**	**134,149.69**	**6.42**	**134,297.64**	**147.95**	**134,149.69**
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

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
2025	**208.33**	**0**	**134,062.47**	**0**	**134,270.80**	**6,025.70**	**128,245.10**
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

Our water consumption increased to 9,468.71 ML, primarily driven by a higher volume of crude oil processed during the year.

In our domestic water usage, we employ practical conservation measures such as monitoring faucet flow rates, installing dual-flush toilets, and implementing information, education, and communication (IEC) programs to foster water conservation awareness. We have also upgraded pressure tanks and pressure switches to ensure efficient water supply, minimize water losses, and prevent excessive consumption.

Water consumption (in ML)			
Requirements	**2025**	**2024**	**2023**
Total water consumption from all areas	**9,468.71**	8,506.26	8,666.75
Total water consumption from all areas with water stress	**9,467.32**	8,505.63	8,664.62
Change in water storage	**0.08**	0.16	0

Biodiversity Conservation

GRI 101-1, 101-2
Topic 11.4 Biodiversity

Given the inherent nature of the oil industry, biodiversity conservation and ecosystem resilience remain paramount priorities for our Company. We firmly believe that harmonizing sustainable resource management with business operations is crucial for effectively safeguarding and preserving local biodiversity. Consequently, biodiversity considerations are actively integrated into corporate planning and decision-making processes, particularly in communities where our operational sites are situated, as we see this as essential to delivering sustainable value creation and shaping the future we are committed to building.

This commitment is further reflected in our alignment with the updated biodiversity disclosures under the GRI Standards. We view this as a significant step toward more comprehensive and transparent reporting, particularly in addressing supply chain impacts and the broader effects of our business activities on society and the environment.

We acknowledge that effective biodiversity conservation is most effectively achieved through collaboration with stakeholders who share a commitment to environmental protection, particularly local communities. Recognizing that all stakeholders are integral components of a shared ecosystem, our Company views collaboration as indispensable for the long-term protection and conservation of natural resources.

In this regard, we collaborate closely with local government units, national agencies such as the DENR, and community partners to ensure that environmental initiatives are coordinated, inclusive, and sustainable. These endeavors encompass reforestation activities, including mangrove and tree-planting programs, as well as environmental rehabilitation initiatives, such as coastal clean-up drives.

Notably, our flagship environmental program, *Puno ng Buhay,* has facilitated the planting of over one million trees and mangroves nationwide. While we do not operate within or adjacent to our adopted reforestation sites and therefore do not directly impact their biodiversity, reforestation activities are implemented independently as nearby terminals continue normal operations.

The program is overseen by Petron Foundation, in coordination with nearby terminals and the Refinery. Under *Puno ng Buhay*, we adopt sites near our facilities for reforestation and maintenance, with a five-year commitment per site. Emphasizing shared responsibility, we actively engage local communities in site preparation, nursery establishment, propagule procurement, planting, maintenance, and protection. Employees and third-party service providers also participate in tree-growing and coastal cleanup activities, reinforcing collective environmental stewardship.

The program currently covers 55 hectares of mangrove reforestation in:

- *Brgy. Salambao, Obando, Bulacan (10 hectares)*
- *Brgy. Agustin Navarra, Ivisan, Capiz (25 hectares)*
- *Brgy. Aplaya, Hagonoy, Davao del Sur (20 hectares)*

An additional 30 hectares of upland reforestation is being implemented in Brgy. Duale, Limay, Bataan.

The adopted mangrove sites are predominantly planted with Avicennia marina (bungalon), a native mangrove species. Observed fauna include endemic birds such as the Philippine pied- fantail and Asian glossy starling, as well as migratory species including the whiskered tern and Ardea intermedia, which use the sites as stopover habitats.

For site implementation and long-term maintenance, we partner with local government units and community organizations, including MFARMC of Obando, BANECA in Roxas, MEFA in Hagonoy, and SAMASAKA in Limay, Bataan.

To ensure a science-based approach to carbon measurement and mangrove restoration, we partnered with the University of the Philippines Los Baños-College of Forestry and Natural Resources (UPLB-CFNR). The interdisciplinary team supports GIS mapping, biodiversity assessment, forest carbon measurement, soil and water science, socio-economic analysis, and mangrove silviculture across our adopted sites.

Shaping an Environmentally Responsible Path



In partnership with UPLB-CFNR, baseline assessments and site characterizations were conducted across existing reforestation areas, potential expansion sites, and reference sites to evaluate their biological and physical attributes. These assessments were undertaken to estimate the carbon sequestration capacity and avoided emissions of the project sites under business-as-usual and "with project" scenarios, design a carbon monitoring system by building the capacity of staff and local communities, and develop an integrated restoration, rehabilitation, and management plan for existing and potential expansion areas.
A biodiversity management plan is expected to be developed as a key output of this assessment process.

The program aims to restore forest cover in the adopted sites, prioritizing species endemic to each location, with estimated carbon sequestration potential and avoided emissions ranging from 79.96 tons per hectare in Ivisan to 114.4 tons per hectare in Hagonoy. These efforts are expected to contribute to the establishment of carbon sinks that support the Company's carbon management strategy, provide natural greenbelts that help protect coastal communities from storm surges, and create alternative or supplemental livelihood opportunities for local communities. The initiative also enables us to invest in climate resilience and carbon offset programs.

Our Company does not anticipate adverse environmental impacts from its reforestation activities. Through our partnership with UPLB-CFNR and regular dialogue with local government units and community partners, the program is implemented using a science-based and localized approach and includes identifying opportunities for communities to develop supplemental livelihood activities aligned with reforestation efforts. In addition, we conduct regular information, education, and communication (IEC) activities in coordination with the DENR and LGUs to promote proper planting techniques, maintenance practices, and environmental stewardship.

Additionally, we continue to support the 1Bataan Pawikan Conservation Alliance Network ("1PawiCAN") as an associate member. The program, led by the province of Bataan, aims to protect marine biodiversity through the establishment and management of marine turtle hatcheries in the towns of Bagac, Limay, Mariveles, and Morong.

Based on consolidated data from nesting sites in Bagac, Morong, and Mariveles, emergence success rates, or the percentage of hatchlings that successfully exit the nest and reach the surface, increased from 84% in 2022–2023 to 89% in 2024–2025. This improvement is attributed to strengthened site management practices and enhanced community capacity in marine turtle conservation. Limay, Bataan began recording egg-laying data in June 2025, with performance results expected to be reported in the following year.



Our dedication to biodiversity conservation is also evident in our operational safety and environmental management practices. Safety protocols encompass weekly tanker receiving team toolbox meetings, monthly meetings on HSSE and Human Organizational Performance (HOP)/Behavior-Based Safety (BBS) Integrated Loss Control System, and regular oil spill drills to ensure robust emergency preparedness.
Furthermore, Petron Terminals continue to implement the Terminal Ecowatch program, a self-regulatory initiative that not only complies with environmental regulations but also fosters innovation and enhances environmental performance. Through these initiatives, we ensure that ecosystems are not only safeguarded but also empowered to thrive and flourish, reinforcing our commitment to sustainable operations and community well-being.

Looking ahead, we will strengthen our biodiversity conservation approach by broadening our assessment of actual and potential impacts across the value chain, including a more comprehensive evaluation of supply chain activities and their associated biodiversity risks. We will deepen site-specific assessments by identifying direct drivers of biodiversity loss, monitoring ecosystem changes, and evaluating the environmental and community impacts of our operations. Through these actions, we aim to enhance ecosystem conservation, strengthen impact management, and align more closely with evolving biodiversity disclosure standards and leading practices.

Shaping an Environmentally Responsible Path

Climate Action and Emissions Management
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 industry contributes to propelling economies and societies by meeting growing energy demands. However, we acknowledge that, given the scale of our operations, our activities substantially contribute to GHG emissions, potentially exacerbating extreme weather events and adversely impacting livelihoods and economic growth.

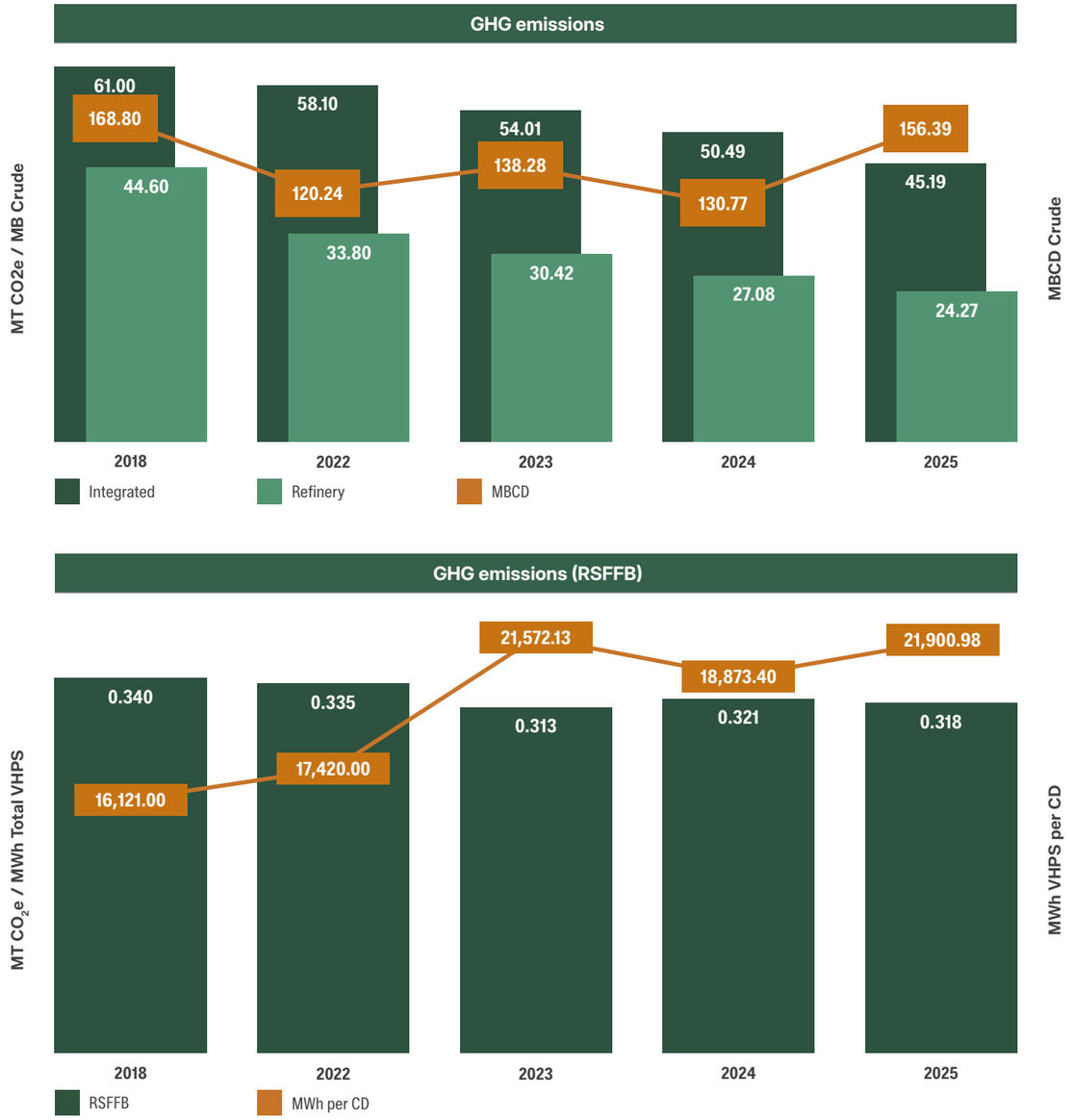
At the same time, this challenge presents an opportunity to mitigate emissions through cost-effective measures while preserving operational efficiency. Across our operations, we are upgrading our facilities to enhance energy efficiency and increase the utilization of renewable energy sources.

Our Refinery in Bataan remains at the forefront of our emissions reduction initiatives. Through continuous technological advancements and process optimization, we have achieved substantial reductions in flue gas emissions and enhanced our waste heat recovery systems. In our terminals, we diligently monitor emission levels and implement corrective actions as necessary to ensure compliance and ongoing improvement. Furthermore, we are strengthening emissions management at our service stations by exploring the introduction of cleaner fuel options, such as low-sulfur fuels, and by adopting energy-efficient practices.

Beyond our direct operations, we extend our emissions reduction efforts to the communities we serve. We strengthen partnerships with local government agencies and academic institutions to ensure that our initiatives are scientifically sound and aligned with local development priorities. We persistently implement mangrove reforestation initiatives as part of our carbon sequestration strategy, contributing to ecosystem restoration while supporting climate mitigation. This collaborative approach reinforces our collective efforts to contribute to the transition toward a low-carbon economy.

Compared with 2024, our Scope 1 emissions slightly increased while we made progress in reducing our Scope 2 emissions.

Scope 1 and 2 GHG emissions (in MT, CO_2e)			
Requirements	**2025**	**2024**	**2023**
Gross Direct (Scope 1)	**3,920,427.80**	3,491,360.78	3,964,260.97
Gross location-based energy indirect (Scope 2)	**23,214.22**	38,987.93	53,293.25
Total GHG Emissions	**3,943,642.02**	3,530,348.71	4,017,554.22
Biogenic CO_2 emissions	**244.45**	122.65	152.65



Shaping an Environmentally Responsible Path

Our GHG emissions intensity for Scope 1 and 2 has been consistently decreasing over the past few years. Although our crude run increased compared to last year, we were able to further enhance our operational efficiency. Plant reliability also improved, with fewer plant upsets and emergency shutdowns.

The refinery operated at a higher crude run in 2025, achieving 156.4 MBCD, compared to 130.8 MBCD in 2024. This was made possible through the collaborative efforts of all refinery personnel to operate the facility more reliably, with fewer plant upsets and emergency shutdowns. This allowed major equipment—such as heaters, furnaces, compressors, and pumps—to operate more efficiently near their design capacities and also minimized energy losses associated with plant downtime.

This year, we fully realized the benefits of the FCC-2 Direct Fired Air heater (DFAH) decommissioning and fuel gas network modification. These improvements allowed us to maximize the use of fuel gas in our process heaters, contributing to better energy efficiency.

We also optimized our steam consumption by improving the performance of steam-driven equipment and reducing steam losses through intensified steam leak repairs.

A total of 11,056.43 MT CO_2e (metric tons of CO_2 equivalent) were reduced as a direct result of our emissions reduction efforts. This year, we implemented several initiatives including MXU energy optimization through improved routing of MXP to the gasoline pool, enhancements to the KM-1/2 hot water washing procedure, repurposing various Refinery spent chemicals in WWTP-2, and the LPGT-3/4 Spent Caustic Reduction and Utility Benefit Program.

Furthermore, no refinery turnaround was scheduled in 2025, in contrast to 2024. This eliminated flaring events and avoided incremental fuel consumption associated with complete plant shutdown and startup activities, thereby contributing to emissions reduction.

GHG emissions intensity

Facility	2025	2024	2023
Refinery	**24.27 Tons/MB Crude Processed**	27.08 Tons / MB Crude Processed	30.42 tCO_2e / MB Crude Processed
Co-Generation Facility	**0.318 Tons/MWH**	0.321 Tons/MWH	0.31 Tons/MWH
Integrated (Refinery + Co-Generation Facility)	**45.19 tCO_2e / MB Crude Processed**	54.01 tCO_2e / MB Crude Processed	54.01 tCO_2e / MB Crude Processed

Our emissions of NOx, SOx, and particulate matter have declined significantly due to increased recovery and use of fuel gas, which produces lower SOx, NOx, and CO_2 emissions compared to fuel oil. Low particulate matter removal emission was sustained through the regular replacement of bag filters to maintain high efficiency. Emissions of Ozone-Depleting Substances (ODS) totaled 44.88 MT of CFC-11, primarily associated with the maintenance of air conditioning units.

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

Requirements	2025	2024	2023
NOx	**679.79**	963.53	1,546.68
SOx	**4,459.26**	11,177.31	15,341.90
Persistent organic pollutants (POP)	**0**	0	0
Volatile organic compounds (VOC)	**0**	0	NOT BEING MEASURED
Hazardous air pollutants (HAP)	**0**	0	NOT BEING MEASURED
Particulate matter (PM)	**164.03**	257.64	159.17

In the coming years, we aim to enhance the robustness of our climate-related disclosures, particularly with respect to climate risk assessment and scenario analysis, in accordance with IFRS S2. These assessments will also inform the development of our targets and guide our strategies on carbon sequestration, carbon substitution, and carbon conservation.

Shaping an Environmentally Responsible Path

Responsible Waste Management
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

We firmly believe that responsible waste management is a fundamental aspect of environmental stewardship and operational governance. Effective waste management is crucial for enhancing operational efficiency, safeguarding public health, and conserving valuable resources. To uphold this commitment, our company implements structured waste management practices across all its operational sites. These practices encompass comprehensive recycling programs, the reduction of single-use plastics, and stringent solid waste segregation.

Throughout all our facilities, our company actively promotes the reduction of single-use packaging materials. These waste minimization efforts are further strengthened through the collaborative efforts and active participation of all our stakeholders. This collective responsibility fosters a shared commitment to reducing the overall environmental impact of our operations.

To further reinforce responsible waste management, we have established Material Recovery Facilities (MRFs) for the temporary storage of segregated solid waste. These facilities enable our company to effectively reduce disposal costs while simultaneously supporting composting initiatives and the utilization of compost pits for on-site gardening and landscaping purposes.

Furthermore, we support circular economy practices through recycling initiatives. We repurpose used tires, plastic bottles, and drums into plant pots and incorporate shredded waste and plastic seals into concrete mixes for non-load-bearing pavements. As part of our continued advocacy for recycling, we sustain the "Ready, Set, Recycle" program, through which used Petron lube containers are collected from both consumers and operational sites for recycling.



The collected plastic containers were sent to a plastic recycler and converted into 30.2 metric tons of recycled plastic pellets. These pellets were used to manufacture new lube oil containers, which were then filled and packaged at Petron's New Lube Oil Blending Plant (NLOBP) in Manila. Meanwhile, our Davao Terminal's plastic waste recycler produced one school armchair for every 125 kilograms of plastic waste collected and donated a total of 65 plastic chairs to a partner public elementary school. These initiatives have enabled us to transform waste materials into functional resources that benefit both the company and surrounding communities while reducing landfill disposal.

To ensure consistent waste management practices across all operating sites, our Petron Bataan Refinery continues to implement Project Solhaze, a dedicated program that oversees hazardous waste management. Given that the Refinery produces a substantial amount of waste in our operations, this project focuses on identifying hazardous waste streams and looking for opportunities for waste reduction. Initiatives under this program include the dewatering and de-oiling of waste sludge, optimizing the use of the spent caustic treatment unit to eliminate off-site disposal of spent caustic waste, using oily sludge as quenching water in the delayed coker unit, and strengthening hazardous waste management practices across the Refinery.

We continue our efforts to responsibly manage the waste generated from our operations. This year, the total waste produced by our operations, including both hazardous and non-hazardous waste, amounted to 9,111.82 MT, representing a 40% reduction compared to the previous year. In addition to our ongoing waste reduction initiatives, this decrease can also be attributed to the absence of marine hose disposal in 2025, compared to the one-time disposal that occurred in the previous year, as well as the absence of turnaround activities at the Refinery.

The lower generation of hazardous waste, particularly oily sludge, can also be attributed to the adoption of technology during the turnaround activity of one of million barrel crude tank (Tk-109). Technology from Powermac enabled additional oil recovery and the dewatering of sludge which consequently reduced the volume of hazardous waste requiring treatment and disposal. The shift to Powermac's technology has allowed us to turn waste into a resource, contributing to the circular economy.

A significant portion of hazardous waste generation comes from the oily sludge that must be removed during crude tank maintenance activities. This sludge contains oil, water, and dirt. Traditionally, cleaning of crude oil tanks prior to maintenance is done manually, with the removed oily sludge hauled directly for disposal and third party processing. Powermac's system includes equipment for sludge removal, tank cleaning, and the Power Phaser Module. The Power Phaser module features a heavy duty three-phase Centrifuge that separates oil, water and sludge cake. The recovered oil is sent back to the refinery for reprocessing, while the wastewater is treated in our Wastewater Treatment Plant (WWTP). The sludge cake is then disposed via third party treatment.

This circular approach ensures we are no longer simply discarding usable energy. The environmental impact of this technology is a game-changer for our sustainability goals. During a recent project in one of the crude tanks, cleaning time was reduced from more than a month down to just two weeks. More importantly the volume of waste requiring external hauling was reduced by more than 90%. Instead of disposing of over 1,000 cubic meters of sludge, the volume was reduced to less than 70 cubic meters. This substantial reduction results in fewer trucks on the road, lower disposal costs, and a significantly smaller environmental footprint for the communities we serve. Another contributing factor was the reduced number of black product tanks undergoing turnaround activities in 2025.

As part of our responsible waste management efforts, we continue to divert both hazardous and non-hazardous waste from disposal through our recycling initiatives. Through these efforts, we diverted 2,692.16 MT of hazardous waste and 353.67 MT of non-hazardous waste from disposal.

Waste generated (in MT)

Requirements	2025	2024	2023
Hazardous waste	**6,464.67**	11,999.36	4,584.34
Non-hazardous waste	**2,647.15**	3,149.84	2,843.91
Total	**9,111.82**	15,149.20	7,428.25

Waste diverted from disposal by recovery operations (in MT)

	Onsite	Offsite	Total
Hazardous waste			
Preparation for reuse	0	0	0
Recycling	2,222.40	469.76	2,692.16
Other recovery operations	0	0	0
Total			2,692.16
Non-hazardous waste			
Preparation for reuse	137.23	0	173.23
Recycling	5.37	166.72	172.08
Other recovery operations	42.46	1.89	44.36
Total			**353.67**

Waste directed to disposal by disposal operations (in MT)

	Onsite	Offsite	Total
Hazardous waste			
Incineration (with energy recovery)	0	51.38	51.38
Incineration (without energy recovery)	0	2.45	2.45
Landfilling	0	0	0
Other disposal operations	0	7,557.98	7,557.98
Total			**7,611.81**
Non-hazardous waste			
Incineration (with energy recovery)	0	0	0
Incineration (without energy recovery)	0	0	0
Landfilling	657.22	780.07	1,437.29
Other disposal operations	0	0	0
Total			**1,437.29**

Nurturing a Shared Responsibility



Upholding our mission requires the active participation and collaboration of our workforce, guided by our core principles. Our sustainability initiatives are driven by the collective responsibility and dedication of employees and stakeholders alike. Through teamwork, we consistently maintain high performance standards across our operations, reinforcing our position as a trusted and preferred partner to our customers. We also prioritize the well-being and professional growth of our employees, supporting them within their respective areas of expertise. In delivering value to our stakeholders, we remain committed to transparency, accountability, and responsible engagement in all our actions.

Dynamic and Thriving Workforce

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 competitive advantage in the market is underpinned by the unique combination of technical expertise, adaptability, and resilience exhibited by our employees. They possess specialized knowledge and a steadfast commitment to innovation and continuous improvement, which are pivotal for sustaining operational excellence in a dynamic business environment. Safety consciousness and ethical responsibility are deeply ingrained in their work, ensuring that every activity conforms to industry standards and our Company's values.

In response, we provide comprehensive growth opportunities to enhance employee engagement and performance. These initiatives are supported by structured feedback mechanisms, including learning assessments, program evaluations, and annual performance appraisals, which facilitate continuous improvement at both the individual and organizational levels. Additionally, we offer competitive compensation and benefits that are commensurate with employees' roles, responsibilities, and job requirements.

We are resolute in upholding fair and responsible hiring practices. Our Human Resources Management Department (HRMD) conducts a meticulous screening process to verify that candidates meet job requirements and align with the Company's culture. Our people management practices are guided by established human resources policies that foster a harmonious, respectful, and professional working environment.

For grievance-related matters, our Labor Relations Officer, in collaboration with the Legal Team, ensures due process in accordance with Company policies. We also adhere to general labor standards and applicable labor laws, working closely with our business partners, including third- party service providers (TPSPs), to uphold responsible labor practices throughout our operations.

Within our workforce, we aspire to cultivate a sustainability mindset, harmonizing the pursuit of growth with environmental stewardship and community impact. We nurture a culture that champions excellence and a clear sense of purpose, driving transformative change and contributing to the Company's long-term success.

In 2025, we have a total of 2,386 full-time employees, regular and probationary, across our operational facilities. These employees support our core business functions and are engaged under formal employment arrangements.

Total number of employees

Category	Number
By Gender	
Male	1,667
Female	719
By Region	
National Capital Region	1,017
South Luzon	1,006
North Luzon	59
Visayas	165
Mindanao	139

**Headcount does not include employees from Petron subsidiaries, which are not part of the reporting boundaries. Total employee headcount including subsidiaries is 4,587.*

Nurturing a Shared Responsibility



We also engaged workers who are not employees through third-party service providers (TPSPs) to perform essential support services, including ground maintenance and repair in terminals, sales offices, and the Refinery, as well as utility, janitorial, mailing, and security services. In 2025, these engagements comprised 4,272 TPSP workers and 14 direct hires.

The number of TPSP workers is coordinated and monitored on a monthly basis through designated point persons from line departments and in close coordination with contractors. This process ensures that all non-employee workers are regularly identified and accounted for, while supporting effective workforce planning, particularly for functions essential to business continuity and safe operations.

For the year, we recorded an average of 17 TPSP workers nationwide per month, including those supporting Refinery, plant, and facility operations, with fluctuations depending on project requirements.

This year, we hired a total of 243 new employees, most of whom are male, under 30 years old, and residing in Metro Manila. Female employees comprised 36.6% of new hires, consistent with the distribution from the previous year. These hiring patterns support our recruitment strategies and demonstrate our continued adherence to a structured and rigorous hiring process, ensuring that new employees meet our operational and capability requirements.

New employee hires

Category	Number	Percentage
By gender		
Male	154	63.4
Female	89	36.6
By age		
Under 30 years old	203	83.5
30-50 years old	40	16.5
Over 50 years old	0	0.0
By region		
National Capital Region	142	58.4
South Luzon	6	2.5
North Luzon	65	26.7

At the same time, we continue to strengthen our retention strategies. Insights from turnover data inform our talent management initiatives, succession planning, and employee engagement programs. For the year, our employee turnover rate was 6%.

Employee turnover

Category	Number	Percentage
By gender		
Male	135	67.2
Female	66	32.8
By age		
Under 30 years old	103	51.2
30-50 years old	76	37.8
Over 50 years old	22	10.9
By region		
National Capital Region	108	53.7
South Luzon	4	2.0
North Luzon	62	30.8
Visayas	16	8.0
Mindanao	11	5.5

All full-time employees are entitled to benefits that go beyond government requirements, including healthcare, retirement plans, and various leave options. This approach reflects our commitment to recognizing and valuing the contributions of our employees to the Company.

Key benefits include:

- *Life, Accident, and Corporate Travel Insurance*
- *Group Healthcare Plan*
- *Permanent Disability Coverage*
- *Maternity, Paternity, and Solo Parent Leave Benefits*
- *Retirement Benefits*

We provide parental leave in accordance with applicable laws and regulations, fostering an environment that enables employees to balance family responsibilities with professional growth.

In 2025, 131 employees availed of parental leave, all of whom returned to work. Of these, 102 employees remained with the Company 12 months after their return, resulting in a retention rate of 91.07%, an improvement from 87.72% in the previous year.

Requirement	Male	Female
Total number of employees that were entitled to parental leave	1,667	719
Total number of employees that took parental leave	90	41
Total number of employees that returned to work in the reporting period after parental leave ended	90	41
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	66	36
Total number of employees due to return to work after taking parental leave	90	41

Nurturing a Shared Responsibility

Effective Labor–Management Relations

GRI 2-30, 3-3, 402-1
Topic 11.7 Closure and rehabilitation
Topic 11.10 Employment practices

Effective labor management relations are pivotal to our operational success and contribute to fostering a productive and innovative workplace. Beyond our organization, robust labor management relations also support local economies and sustain investor confidence in the oil sector.

Recognizing human capital is a primary asset of our business, we actively cultivate a culture of trust and respect. This approach fosters productivity and innovation through open communication and meaningful employee engagement. By fostering shared responsibility across our workforce, we encourage employee participation in decision-making processes, ensuring their concerns are heard and addressed proactively, which contributes to higher job satisfaction and retention.

To maintain a harmonious and efficient work environment, we have established robust communication and grievance resolution mechanisms across our operations. These mechanisms reinforce our commitment to transparency, collaboration, and continuous improvement, aligning with labor standards set by the Department of Labor and Employment (DOLE) and adhering to global best practices in labor relations.

At the Refinery, regular labor management meetings are held to address workforce concerns collaboratively. We also organize focus group discussions (FGDs) and team-building activities to strengthen teamwork and enhance operational efficiency. Our training programs equip Refinery workers with the latest industry developments while reinforcing safety protocols, ensuring the workforce remains adaptive and prepared for future industry developments.

In our terminals, digital platforms such as PETHUB and Microsoft (MS) Teams are leveraged to disseminate operational updates, safety guidelines, and company initiatives efficiently. Regular interdepartmental meetings ensure alignment of objectives and the proactive resolution of potential issues, keeping employees connected and united in achieving operational goals.

Across our service station network, we implement community-based engagement initiatives to foster a strong sense of belonging and purpose among employees. Regular check-ins between station operators and management ensure that frontline staff concerns are promptly addressed. Additionally, we conduct training programs focused on customer service excellence and workplace safety to enhance service quality and employee well-being.

These localized efforts complement Petron's broader labor relations framework. The Company maintains collective bargaining agreements (CBAs) with three labor unions: (1) the Bataan Refiners Union of the Philippines (BRUP), affiliated with the Philippine Trade and General Workers Organization; (2) the Petron Employees Labor Union (PELU); and (3) the Petron Employees Association (PEA), affiliated with the National Association of Trade Unions. All CBAs remain in force this year and, as of December 2025, covered approximately 26% of the Company's workforce in the Philippines.

The duration of CBAs varies by provision: representation-related clauses are effective for five (5) years, while other provisions remain valid for three (3) years, in accordance with the Philippine Labor Code. Company policies continue to safeguard the rights and interests of employees not covered by CBAs.

To ensure effective communication on operational adjustments, employees covered by CBAs and their representatives receive at least 16 hours' notice prior to major changes and a minimum of seven (7) days' notice for employee transfers. The consultation and negotiation process, including these notice periods, is clearly outlined in the agreements and documented in the CBA booklet to promote transparency and compliance throughout the term of each agreement.





Petron renewed its Collective Bargaining Agreements with its various labor groups to strengthen labor relations to ensure industrial peace through a stable and resilient workforce

Beyond formal CBAs, Petron strengthens labor relations through participation in the Bataan Industrial Peace Council and the Mandaluyong City Tripartite Industrial Peace Council. Through these collaborative platforms, we work alongside government agencies, labor, and industry stakeholders in advancing shared solutions that support a stable and resilient workforce. These engagements foster dialogue and knowledge sharing, enabling the Company to stay informed of labor advisories and regulatory developments while responding effectively to the evolving needs of its workforce.

Nurturing a Shared Responsibility

Robust Occupational Health and Safety

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

Over the years, we have demonstrated that workplace safety is deeply embedded in Petron's culture and mission. We remain committed to conducting our business in a manner that prioritizes the health, safety, and security of all personnel—including employees, contractors, and partners. As we deliver quality products and services to our customers, we ensure a safe and conducive working environment and strive to send our people home safely every day.

Our robust Occupational Health and Safety (OHS) Management System is integral in continuously improving our overall safety performance. This system, which covers all employees, contractors, and workers, undergoes rigorous internal and external audits and is validated through certifications from independent third-party experts. These systems reinforce our forward-looking approach to risk management and ensure that safety remains an inclusive core pillar of operational excellence.

Regular orientations are conducted to reinforce safety awareness and emphasize the strict adherence to health and safety protocols. Our safety programs, guidelines, procedures, and policies are subject to regular review and updates. Notably, our safety manual incorporates programs designed to effectively prevent or mitigate significant occupational health and safety risks, including those arising from natural calamities. Given that our operations may encounter hazardous conditions, particularly within the Pacific Ring of Fire, we continuously enhance the emergency preparedness capabilities of our employees and contractors. Through continuous learning and collaboration across our functions, personnel are empowered to proactively identify and manage potential risks and unforeseen events, thereby ensuring a safer working environment for all.



We implement our OHS management systems company-wide to ensure consistent compliance with applicable government and international standards, including but not limited to the following:

- *Philippine Occupational Safety and Health Standards*
- *Department Order 252-25 Revised 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 full compliance, we actively advance a safety-driven culture through various programs, measures, and initiatives. We provide opportunities for OSH-related consultations and promote a safety-conscious workplace. Our key 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 assessment identified the following main types of work-related injuries among our employees and workers:

Main types of work-related injury for employees and workers
Exposure to or contact with extreme temperatures
Exposure to or contact with harmful substances or radiations
Fall Accident (different levels)
Slips, trips, & fall (same levels)
Stepping on, striking against or struck by objects (excluding falling objects)
Caught in or between objects

In identifying and describing causes of injury, we also include incident investigation, root cause analysis, and corrective/preventive actions to reflect control and learning. To mitigate risks and enhance workplace safety, we implement a range of preventive measures. These include eliminating identified hazards, replacing outdated equipment, designing our facilities in accordance with applicable standards, and providing Personal Protective Equipment (PPE). The collective efforts of our employees, contractors, and safety teams help us continuously strengthen preventive measures to maintain safe and reliable operations. We also conduct training and implement programs such as the Human Organizational Performance (HOP)/Behavior-Based Safety (BBS) Integrated Loss Control System.

In the event of an incident or accident, immediate investigations are carried out by the relevant teams. In addition, 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.

During the reporting period, we recorded 47 work-related injuries among our employees and workers, with 2 cases classified as high-consequence injuries among workers. These resulted from various incidents, including slips or falls and 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	0	2
Number of recordable work-related injuries	20	27
Number of fatalities as a result of work-related ill health	0	0
Number of cases of recordable work-related ill health	0	0

Nurturing a Shared Responsibility

Continuous Learning and Development

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





We are dedicated to nurturing a capable and resilient workforce. By providing employees with relevant skills, knowledge, and learning opportunities, we help them adapt to evolving business challenges and pursue growth with confidence. Our commitment to continuous professional development enhances individual performance, which in turn strengthens overall organizational resilience. We have established collaborative partnerships to further develop the competencies and qualifications of our employees. Our approach begins with a structured new-hire orientation and onboarding program that enhances management, technical, and leadership skills.

We also offer both local and international training programs, which are systematically and clearly communicated to all employees through formal training agreements. These modules are designed to align with industry trends and employee needs, ensuring effectiveness and measurable outcomes.

As we continue to implement these employment facilitation programs, our Company has incorporated feedback mechanisms and conducted learning assessments. In this way, we are able to continuously evaluate the impact and relevance of these initiatives. Furthermore, these performance reviews help identify areas for professional improvement and growth.

In collaboration with our parent company, we have implemented in-house and other tailored training initiatives for employees to enhance their skills, maximize their potential, and advance their careers. Regular transition assistance programs address specific employee needs which are offered in courses such as Essentials of Supervision and Leadership. We have initiated 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.

In complementing our efforts in talent creation especially designed for leadership development, we have established programs on coaching (i.e., Top Emerging Achievers Program) and mentoring (i.e., Petron Mentoring Program). Ensuring these programs are effective is essential to equip our workforce with the skills and capabilities needed to thrive in a dynamic business environment.

We place strong emphasis on the professional development of employees across all categories: rank-and-file, supervisory, and managerial. In 2025, we sustained a high average number of training hours across the organization, with total training hours reaching 395,287.60, comprising 277,994.97 hours for male employees and 117,292.63 hours for female employees.



The 2025 data include on-the-job training (OJT) hours for probationary employees, training hours of ERP grantees reimbursed during the reporting year, and participation in long-term leadership programs under SMC, such as the Ateneo Leadership Development Management Program (LDMP).

This policy direction fosters a fair and inclusive culture while enhancing employee well-being and strengthening overall organizational performance.

Training hours

Category	Total number of training hours	Number of employees	Average training hours
By gender			
Male	277,994.97	1,667	166.76
Female	117,292.63	719	163.13
By age			
Rank and file	305,502.58	1,766	172.99
Supervisory	52,820.21	350	150.91
Managerial	33,672.30	270	124.71

Consistent with previous years, 100% of our employees received regular performance and career development reviews in 2025. This reinforces our continued commitment to strengthening learning initiatives and cultivating a dynamic workforce across all levels of the organization.

Our dedication to raising the bar in training and education is anchored on our goal to develop a workforce equipped with the competencies and tools needed to align talent and skills with evolving industry and market demands, ensuring organizational agility and sustained capacity building.

Basic Training	Supervisory	Managerial
• Petron 101 • Petron Ambassadors Program • Developing Effective Presenters • Effective Business Communication • Effective and Assertive Communication • Tactical Negotiation • KT Problem-Solving and Decision Making • MS Basic and Advance • Raise the Bar	• Basics of Management and Supervision • Essentials of Supervision and Leadership • CELEMI Decision Base • Communication Edge • Labor-Management Relations Workshop	• Accelerating Leadership Potential • 7 Habits of Highly Effective People • Labor-Management Relations Workshop • Finance for Non-Finance Managers • Ateneo Leadership + Management Development Program • AIM Executive Management Development Program • Coach Training for Career Coaches

Additionally, Petron regularly conducts training to enhance HSSE-related competencies such as safety orientation, incident investigation, risk assessment, and emergency response among the workforce across all units. These provide more opportunities for personnel to develop operational risk and safety capability.

FEATURE STORY

Sustaining Excellence through Innovation: Refinery Technical Forum

Following the inaugural launch of the Refinery Technical Forum (RTF) in 2024, the Petron Bataan Refinery conducted its second run this year, focusing on advancing innovative, implemented solutions across the Refinery with the theme Breakthrough Innovations: Driving Refinery Competitiveness through Implemented and Emerging Solutions. The RTF serves as an internal platform to promote continuous innovation in addressing and anticipating economic, technical, and regulatory challenges, such as market volatility, the growing energy transition, aging equipment, and skilled workforce shortages. It enables the Refinery to implement initiatives that increase productivity and efficiency, lower production and operating costs, and drive long-term profitability.

Participation in the RTF goes beyond individual engineering capability—it fosters collaborative synergy through an integrated, cross-functional approach that leverages diverse skills, knowledge, and perspectives to achieve meaningful outcomes. The forum also showcases the importance of teamwork, emphasizing that successful projects require a multidisciplinary approach and cannot be accomplished singlehandedly.

Out of 29 valid entries this year, 10 reached the final round, where they presented to a panel of judges composed of internal experts from various Petron divisions. In 2025, the categories were further refined to target key areas critical to the Refinery: Operational Efficiency, Plant Reliability Solutions, Environmental Stewardship, and Process Safety Management. All entries were assessed based on impact, sustainability, innovation, and teamwork.

Below are some exemplary winning entries from 2024 and 2025:

Redesign for Results: Installation of Tie-In Line to Separate Polymer Source and Enhance Wastewater Flocculation and Sludge Dewatering

The uncontrolled discharge of untreated wastewater into water bodies poses significant risks to human health and the environment. These challenges often involve complex and heterogeneous pollutants that require advanced and highly efficient treatment technologies to meet stringent regulatory water quality standards. At Petron, a clear and compliant final effluent in its wastewater treatment process is a non-negotiable commitment to environmental protection.

At Petron's Bataan Refinery Production B Wastewater Treatment Plant- 2 (WWTP-2), polymers are utilized in the Biological Dissolved Air Flotation (Bio DAF) unit to facilitate solid-liquid separation, ensuring a solid-free final effluent in compliance with Department of Environment and Natural Resources (DENR) regulations. In addition, polymers support the production of a drier sludge cake at the Bio Sludge Centrifuge facility, helping reduce third-party hauling and treatment costs.

Previously, the polymer used for both the Bio DAF and Bio Sludge Centrifuge was prepared and diluted in a single tank. During centrifuge operations, demand for diluted polymer increased significantly. Process analysis indicated that two preparation tanks were necessary to consistently meet the required polymer volume.

Although the interim approach maintained continuous operations, operators supplemented the preparation tank with additional plant water to sustain supply. This practice led to over-dilution of the polymer, resulting in inefficient solid-liquid separation and suboptimal sludge dewatering. Consequently, the Refinery experienced non-compliant final effluent, wetter sludge cakes, turbid centrate, increased sludge volume and weight, excessive polymer consumption, and higher hauling and treatment costs.

To address the identified process challenges, the Oily Centrifuge Polymer Preparation Tank at WWTP-2 previously designated for the oily sludge centrifuge and seldom utilized was repurposed. Since both the oily and bio sludge centrifuges use the same polymer type, a tie-in line was installed to reroute diluted polymer from the Oily Sludge Polymer Preparation Tank to the suction side of the Bio Centrifuge Polymer Dosing Pump.

The tie-in line was successfully installed in May 2025, delivering the following operational improvements:

- *The Bio DAF polymer preparation tank is now dedicated exclusively to the Refinery's Bio DAF unit, ensuring a stable and properly concentrated polymer supply.*
- *No instances of non-compliant final effluent due to inefficient solid–liquid separation were recorded during simultaneous operation of the Bio DAF and Bio Sludge Centrifuge.*
- *The Bio Sludge Centrifuge produced clearer centrate and a drier sludge cake, while increasing its feed rate from 5 m^3/hr to 8 m^3/hr, with no observed operational constraints such as elevated temperature or excessive vibration.*

While the installation of a tie-in line and pump rerouting for polymer separation may appear to be a straightforward technical modification, the results have delivered substantial operational cost efficiencies and environmental benefits. Key outcomes include:

- *Reduced sludge hauling and treatment costs: Improved sludge dryness enabled the facility to avoid third-party hauling and treatment of approximately 15,800 kg of sludge cake per month, translating to monthly savings of ₱110,600. Since implementation, the project has generated total savings of ₱660,485.*
- *Optimization of polymer use: Through the isolation of the centrifuge system, 3,500 kg of unused legacy polymer were fully utilized, eliminating the need to purchase an equivalent volume of new polymer and resulting in one-time savings of ₱1,057,000.*
- *Greenhouse gas (GHG) emission reduction: Since implementation in May 2025, the process has avoided approximately 65.22 metric tons of CO_2, with projected annual reductions of 132 metric tons. These reductions stem from decreased sludge volume and improved dryness, which lower hauling, treatment, stabilization, and post-landfill degradation requirements handled by third-party contractors.*

Air Ring Modification Sustained DFAH Operations in FCC-2

The Fluidized Catalytic Cracking-2 (FCC-2) unit converts heavy gas oil into more valuable petroleum products. A key component is the regenerator, where coke deposited on the catalyst is burned using air supplied by a blower. Between the blower and the regenerator is a Direct Fired Air Heater (DFAH), which preheats air during start-up and shutdown operations.

Ideally, the DFAH is turned off during normal operations. However, operational limitations require the heater to remain in use, increasing fuel consumption and carbon footprint. One major issue is afterburning, characterized by elevated temperatures in the regenerator.

Air entering the regenerator is distributed through three concentric air rings—inner, middle, and outer—and should ideally be uniform. Based on the study, it has shown air maldistribution, with higher airflow in the inner and middle rings and lower airflow in the outer ring, contributing to afterburning.

In this regard, the objective of the project was to mitigate afterburning and decommission the DFAH to eliminate its fuel gas consumption. After testing and consultations with experts, the most practical and cost-efficient solution was to plug the inner and middle air rings and install additional nozzles in the outer ring to achieve balanced air distribution.

Following project implementation, the unit was started up at low capacity with the DFAH turned off. The unit was subsequently operated twice at maximum capacity, and the operating conditions remained acceptable even without the DFAH. To date, the DFAH remains decommissioned—an important milestone, as this had never been achieved since its commissioning in 2014.

The project delivered several operational benefits, including the elimination of fuel gas consumption and mitigation of afterburning, thereby reducing the Refinery's carbon footprint. It also improved equipment reliability and created opportunities to optimize utility use, resulting in lower operating costs.

The RTF drives continuous operational improvement while reinforcing collaborative ways of working. It encourages innovation beyond standard practices, driving ongoing improvements across the Company. For employees, it fosters engagement and a sense of contribution to Petron's enduring legacy, supporting the Company's commitment to excellence and sustainable practices built over 90 years.

Nurturing a Shared Responsibility

Supporting Local Communities

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

As a leader in the local oil industry, Petron goes beyond sustaining financial and operational excellence. Even amid evolving market conditions and external challenges, we remain resilient and committed to contributing to nation-building through community welfare and environmental stewardship. We strive to create meaningful and lasting impact in the lives of Filipinos by championing inclusivity and social well-being, beginning with the cultivation of strong and enduring relationships with the communities where we operate. Through active collaboration with host communities near our facilities, we work together with stakeholders toward shared goals and ensure that our programs, services, and products respond to their evolving needs.

Our CSR arm, Petron Foundation, plays an integral role in implementing nationwide initiatives focused on education, environmental sustainability, health, human services, livelihood, and advocacy. To ensure seamless coordination from planning to execution, we partner with schools, local government units (LGUs), and community organizations. Volunteerism is also significant in our initiatives, as demonstrated by the active participation of stakeholders in our program such as *Brigada Eskwela*. We have also built Petron schools, and since 2002, we have constructed 108 schools with 258 classrooms, benefiting over 100,000 students by providing essential facilities such as chairs, toilets, and water systems.

We aim to alleviate poverty through education and employment. Our *Tulong Aral ng Petron* (TAP) is a long-term scholarship program that supports academically deserving children from economically disadvantaged families in Petron's fenceline communities, enabling them to pursue their education in public schools. Under this program, scholars receive meal allowances, school supplies, uniforms, shoes, and school bags. TAP is structured into four progressive phases designed to support scholars from basic education to employment. In Phase 1, children from underserved areas in Petron's host communities are provided scholarships for elementary education. In Phase 2, outstanding TAP elementary graduates receive high school scholarships. In Phase 3, high-performing TAP high school graduates are awarded college scholarships in engineering and business-related fields, as well as access to technical-vocational programs. Finally, in Phase 4, scholars are supported in securing employment opportunities within Petron and other organizations. Overall, this framework reflects Petron's commitment to education as a pathway to opportunity and its dedication to sharing these benefits with local communities. For the 2025 to 2026 school year, TAP has a total of 2,344 scholars.

Given the nature of our business, environmental stewardship remains one of our core commitments and 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. We also ensure compliance with local and international regulations through close collaboration with LGUs, DENR, and non-governmental organizations. These efforts reflect our belief that environmental protection is a shared responsibility, strengthened through partnerships with relevant stakeholders. In addition, a Multipartite Monitoring Team (MMT) and certified environmental officers oversee adherence to high environmental standards across all service stations.

Our *Puno ng Buhay* program has further strengthened our environmental initiatives, with over 1 million trees planted since 2000 and 55 hectares of mangrove reforestation areas adopted across the country. These achievements highlight the collective efforts and teamwork of our employees and partners, with 100% volunteer participation from our terminals during Earth Month, Environment Month, and International Coastal Cleanup Day.

We also implement a wide range of livelihood programs in our host communities to support local economic resilience and sustainable sources of income. For instance, in Rosario, Cavite, the mothers of our TAP scholars were trained in rag making and eventually established their own cooperative. In 2018, a dressmaking training program was launched as an additional initiative. We also conducted a Financial Literacy Workshop for our TAP Rosario Livelihood group. In Limay, Bataan, members of *Sulong Alangan at Lamao para sa Pag-unlad Inc*. (SALAPI) exclusively supply rags to the Refinery, earning between ₱2,000 and ₱4,000 per month while producing an average of 750 kilograms.

Moreover, PFI revived the Petron Automotive Care Education (ACE) program as another avenue to advance its mission of alleviating poverty through education. In 2024, a total of 29 graduates completed the seven-day program in partnership with Don Bosco, with participants coming from National Capital Region, Davao City, Iloilo City, Surigao City, and Bacolod City.

In summary, the tables below present the range of CSR programs of Petron led by PFI.

Education	Environment
• *Tulong Aral ng Petron* • Elementary • High School • College Scholarship • Petron School/*Brigada Eskwela*	• *Puno ng Buhay* Reforestation Program • Bataan Integrated Coastal Management Program (BICMP) • Environment Programs of Refinery and Terminal Operations
Entrepreneurship and Livelihood	**Health and Social Services**
• Community-based Programs for Bataan; Pandacan, Manila; and Rosario, Cavite • Petron Automotive Care Education (ACE) Program	• Health and Nutrition Programs • Petron clinic • Disaster Management • *Sagip Alalay* (i.e., disaster response)

To continuously improve our approach, we establish performance metrics and conduct regular site visits to evaluate effectiveness, refine strategies, mitigate risks, and enhance the safety and well-being of local communities. We also remain forward-looking and continue strengthening collaboration with stakeholders to ensure our programs remain responsive to evolving community needs.

Our strengthened community engagement strategy is creating meaningful change by transforming stakeholders into active partners and fostering a collective sense of ownership and responsibility. This participatory approach enables us to tailor initiatives to the unique needs of each community, ensuring measurable benefits while upholding the highest standards of ethical practice.

FEATURE STORY

Empowering the Future through Education



Education has long been a cornerstone of Petron's social development initiatives. Through the *Tulong Aral ng Petron* (TAP) program and the Petron Engineering Scholarship Program, the Company continues to invest in education as a pathway to empowerment, creating opportunities for young learners while strengthening the communities where it operates.

At the heart of TAP is a holistic approach to supporting students throughout their educational journey. The program begins by providing children from underserved communities, particularly those in Petron's host communities, with access to elementary education. Outstanding graduates are then given opportunities to continue through high school, while those who demonstrate strong academic performance may qualify for college scholarships in fields such as engineering and business. For TAP graduates who aspire to join the workforce, Petron also provides employment opportunities across its facilities, allowing them to apply their knowledge and skills in a professional environment.

Complementing this initiative is the Petron Engineering Scholarship Program, implemented in partnership with Bataan Peninsula State University (BPSU). The program provides financial assistance to engineering students, including allowances that help support their academic needs. Scholars also benefit from board exam assistance, which provides financial support for licensure examination reviews. In addition, scholars gain valuable industry exposure through on-the-job training and mentorship from Petron's experienced engineers, helping bridge academic learning with real-world industry practice.

For scholars like Lanz Rodnee, a fourth-year Mechanical Engineering student at BPSU, the scholarship represents both opportunity and responsibility. Lanz recalled the highly competitive selection process, where more than 30 of his classmates applied for the program. He was among the few selected scholars from the Mechanical and Electrical Engineering departments.

Engineering studies are demanding, but Lanz remains motivated by the opportunity entrusted to him. Reflecting on his journey, he shared: "The scholarship was not merely an obligation to succeed, but an inspiration for me to view self-doubt as a signal to build strength and clarity of purpose." His family also recognizes the impact of the program. As he explains, "My family looks up to Petron as a well-known company in our community that provides opportunities for personal and professional growth."

The impact of the program extends beyond scholars to the families who support them. At F. Bangoy Central Elementary School in Davao City and Culasi Elementary School in Roxas City, parents of TAP scholars expressed their gratitude for the opportunities provided to their children. For many families, the scholarship program has helped ease financial burdens while strengthening their hopes for their children's future.

Lea Buanghug, a single mother working as an on-call condominium cleaner, shared that the assistance provided by Petron helps supplement her modest and unsteady income to support her child's education. Another parent, Teresa Magbanua, noted that Petron's scholarship program recognizes not only academic performance but also the importance of good character among its scholars.

The success of the scholarship programs is also made possible through Petron's partnerships with academic institutions and community stakeholders. BPSU has long been a key partner in the Petron Engineering Scholarship Program. According to Ms. Khristina Anne A. Dimarucut-Ama, Director of Student Affairs and Services at BPSU, the partnership helps the university develop graduates who are equipped with the skills needed by local industries.

Through this collaboration, graduates are given opportunities to pursue careers within Bataan rather than seeking employment elsewhere. This strengthens the province's workforce while supporting local economic growth. Ms. Dimarucut-Ama also shared that Petron's reputation provides scholars with valuable industry exposure through plant visits and on-the-job training, helping them gain practical experience in their chosen fields.

Beyond career development, Ms. Dimarucut-Ama highlighted the broader social value of nurturing a strong local workforce. By creating opportunities within the province, graduates are able to remain close to their families while building their professional paths. She also noted Petron's unique approach in involving parents in scholarship-related activities, recognizing the important role of family support in motivating students and guiding them through the challenges of their academic journey.

Petron's efforts are further strengthened through collaboration with corporate partners who share the same vision of supporting education. For many years, SM has partnered with Petron to organize annual school supply distribution activities for TAP scholars. Held at SM Malls, the activity allows students to select school supplies, bags, and shoes in preparation for the upcoming school year.

In Roxas City, the event has become a much-anticipated tradition. According to Ms. Reina Donesa, Branch Manager of SM Roxas, the initiative is guided by a simple goal: to bring joy to the children. "We want to see the happy faces, the sparkle in the children's eyes as they hold a new pair of shoes or a school bag. That feeling is priceless," she shared.

For SM employees, the activity is more than a routine event. It is an opportunity to take part in an initiative that creates meaningful experiences for young learners and their families. As Ms. Donesa noted, the partnership between SM and Petron goes beyond business considerations, reflecting a shared commitment to supporting communities and empowering the next generation.

Through these collective efforts, uniting scholars, families, academic institutions, and corporate partners, Petron continues to deliver on its commitment to expand access to education and create pathways to opportunity. By investing in learning and skills development, the Company helps nurture future professionals who will contribute to their communities and carry forward the shared vision of progress and empowerment.

Nurturing a Shared Responsibility

Ensuring Customer Health and Safety

GRI 3-3, 416-1, 416-2
Topic 11.3 Air emissions

Given the high-risk nature of our industry, particularly in relation to fuel handling and storage, we prioritize the health and safety of our customers in all our operations. We implement stringent safeguards throughout our value chain and continuously enhance our practices to improve customer health and safety. While we actively adopt evolving regulatory requirements and integrate innovative safety solutions, we also strive to surpass compliance and elevate industry benchmarks. As the leading oil company in the Philippines, Petron is committed not only to delivering reliable products and services nationwide, but also to fostering a secure and dependable environment for customers and communities through rigorous management systems, proactive initiatives, and sustained stakeholder engagement, allowing us to remain resilient and responsive amid evolving industry challenges.

Our comprehensive risk management approach upholds the highest safety standards while ensuring full regulatory compliance. This is supported by a robust Corporate Safety Management System (CSMS), aligned with international standards such as those of the International Organization for Standardization (ISO 45001:2018). Through this system, we systematically manage safety protocols across all operational phases, strengthening protection for stakeholders while maintaining regulatory excellence. Furthermore, continuous monitoring and proactive risk assessments enable us to identify and mitigate potential hazards before they escalate, reinforcing our preventive approach to safety management.

We implement a comprehensive range of initiatives to safeguard the health and safety of our customers across our operations. Our safety protocols are not only embedded in employee practices but are also extended to customers through educational programs and engagement initiatives. In addition to enforcing strict safety procedures at our retail outlets, including comprehensive employee training on product handling and operational procedures, we actively promote the safe use of fuels and responsible practices at service stations. This layered approach protects our culture of safety beyond our organization and into the communities we serve.

Safety remains a central priority across our operational facilities. At the Refinery, extensive safety audits and hazard analyses are conducted to maintain strict adherence to industry-leading standards. Regular environmental assessments, covering air quality, noise levels, and other potential health impacts, further support a safe operating environment. Meanwhile, our terminals are equipped with advanced fire detection systems and supported by routine safety training to ensure full compliance with fire safety regulations. This layered approach protects our customers, employees, and surrounding communities.

Site assessments are also an important component of our safety protocols, enabling the timely identification and resolution of potential risks. Our Corporate Safety team collaborates with technical specialists to conduct both virtual and on-site inspections, ensuring compliance with health and safety requirements while continuously strengthening our preventive measures.

Furthermore, customer feedback remains an essential component of our health and safety strategy, as it provides us with valuable insights that drive continuous improvement. We actively listen to customer concerns to build trust and enhance our services based on real-world experiences. In 2025, we received close to 1.2 million customer feedback submissions—both voice and non-voice—through our communication platforms, including the Petron Customer Interaction Center, Petron Talk2Us, Petron Gasul Express Delivery (PGED), and our Social Media Community Management (SMCM) group. Reflecting its growing role, SMCM transactions were included as a new reporting category for Petron Customer Care in 2024, further bolstering our customer-centered engagement approach.

We also take pride in our *Lakbay Alalay* program, which provides free vehicle check-ups and roadside assistance. This initiative reflects our strong focus on customer safety and reinforces our role as a responsive and service-oriented provider. Likewise, we 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.

Incidents of material non-compliance concerning the health and safety impacts of products and services

Requirement	2025			2024			2023		
	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	0
Incidents of non-compliance with regulations resulting in a warning	**0**	**0**	**1**	0	0	2	0	1	0
Incidents of non-compliance with voluntary codes	**0**	**0**	**0**	0	0	0	0	0	0

As part of our collaborative efforts, we continue to strengthen our advocacy for the proper implementation of the LPG Law (R.A. No. 11592) in collaboration with the DOE and industry partners through regulatory discussions and educational forums. In addition, we actively raise public awareness about the dangers of illegally refilled LPG cylinders, emphasizing the importance of choosing legitimate Petron LPG products that comply with the Department of Trade and Industry (DTI) safety and quality standards. Customers may also access detailed safety guidelines through our website.

With safety as our top priority, we evaluated 100% of health and safety impacts across all facilities during this reporting period, consistent with our standard annual practice. This initiative supports our commitment to risk mitigation and the protection of our customers, employees, communities, and other stakeholders. For the year, we recorded zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our products and services. Likewise, we maintained our record of zero non-compliance with voluntary codes, reaffirming our commitment to upholding and exceeding safety standards.

However, during the reporting period, one of our service stations received a Notice to Comply (NTC) from the Bureau of Fire Protection (BFP) for non-compliance with the required Oil-Water Separator.

While we recognize opportunities for continuous improvement, we take pride in our sustained commitment to safety and regulatory compliance. Moving forward, we will continue refining our processes, strengthening safety programs, and collaborating closely with regulatory bodies to ensure the highest level of protection for our stakeholders. We remain dedicated to enhancing health and safety outcomes for our customers and the communities we serve through sustained innovation, proactive risk management, and ongoing stakeholder engagement.

Nurturing a Shared Responsibility

Responsible Marketing and Labeling
GRI 3-3, 417-1, 417-2, 417-3





In alignment with our dedication to our customers as their reliable fuel source, our Company ensures that all products are marketed and labeled responsibly. We furnish comprehensive, accurate, and readily accessible information to empower our customers and stakeholders to make informed decisions with confidence. From the moment our products are produced at the Refinery until they reach the market, we maintain consistent labeling and communication practices that embody our accountability and commitment to consumer safety. Through transparency, we fortify customer trust, accentuate the genuine quality and value of our products, and contribute to fostering a culture of responsibility within the industry.

At Petron, we acknowledge the significance of supporting the nation's international commitments. As the Philippines is a member of the Asia-Pacific Economic Cooperation (APEC), we fully support and adhere to the country's pledge to implement the Globally Harmonized System of Classification and Labeling of Chemicals (GHS). This system promotes the uniform classification of chemicals based on their hazards and provides standardized hazard communication tools such as labels and safety data sheets.

To enhance product stewardship and workplace safety, our products are meticulously labeled and supported by Material Safety Data Sheets (MSDS). These MSDS provide comprehensive guidance on the appropriate handling and utilization of materials, including detailed information on physical properties, toxicity, potential health consequences, first aid protocols, chemical reactivity, storage and disposal requirements, and spill-response procedures. Through these measures, we contribute to safeguarding our workforce and reinforce our commitment to responsible operations.

All fuels sold at Petron service stations adhere to Department of Energy (DOE) regulations, including the conspicuous display of octane ratings and other mandated product information. We also ensure product quality and performance by conforming to internationally recognized standards. Our lubricants meet specifications established by the American Petroleum Institute (API), the Society of Automotive Engineers (SAE), and the International Organization for Standardization (ISO), encompassing viscosity grades and service classifications.

Similarly, our grease products conform to National Lubricating Grease Institute (NLGI) standards to guarantee suitability across diverse industrial and automotive applications.

In line with our commitment to transparency and customer trust, we strictly adhere to established labeling protocols. All LPG products are supplied in cylinders and distributed in the local market in full compliance with applicable laws and regulations. In 2025, we achieved 100% compliance with product and service information requirements, as well as labeling and marketing communication standards.

Launched in 2024, the "*Tapat Sa'yo*" campaign continues to shape our customer engagement initiatives and reinforce our commitment to responsible and transparent service. The campaign is anchored on five core principles that reflect our operational standards: affordability, product and service quality, fair and accurate fueling practices, customer rewards and promotional programs, and reliable service delivery.

Throughout 2025, we implemented a range of promotional activities under the "*Tapat Sa'yo*" campaign. These initiatives provided customers with opportunities to participate in raffles and rewards programs, offering prizes such as cash incentives, motorcycles, one year of free fuel, and other promotional items, further strengthening customer engagement and brand trust.

These initiatives underscore our commitment to responsible marketing and labeling practices. By upholding transparency and providing accurate product information, we strengthen regulatory compliance, support workplace safety, and reinforce public trust in our brand. Through clear and responsible communication, we empower customers and stakeholders to fully appreciate the quality, reliability, and value for which our products have long been known.

FEATURE STORY

Soaring High with Petron's *Tapat Sa'yo* Seal of Service



When it comes to family-owned dealerships, few exemplify excellence like Petron's top-performing dealer in Tarlac City. Mr. Conrado G. Ong, the family patriarch and a former commercial pilot, once traded the cockpit for entrepreneurship, establishing his first gasoline station, then operating under then Petrophil in Camiling, Tarlac. His background in aviation, grounded in precision, efficiency, and the balance between safety and performance, proved invaluable in building and sustaining the business.

The journey, however, was not without turbulence. In 1990, a devastating earthquake destroyed the family's first service station. After rebuilding, the business faced intense competition that challenged its sales and customer base. Yet through resilience and determination, Mr. Ong stayed the course, expanding operations and opening new service stations in nearby communities.

Today, the Ong family operates five service stations across Tarlac Province. Each is managed by his sons, who uphold the values and standards of excellence instilled by their father. In 2025, Petron honored Conrado with its prestigious Golden Nozzle Dealer of the Year Award, recognizing his outstanding performance in sales and service.

According to his eldest son, who manages the Tarlac City station, their father's leadership extends beyond financial performance to sustainability and long-term stewardship. In retail operations, he emphasizes doing business the "traditional way", consistently delivering quality service and genuine value to customers. The family fully embraces Petron's *Tapat Sa'yo* campaign, reflecting their commitment to reliability, transparency, and customer satisfaction.

Trust and service excellence remain central to their approach. The family resides near their service stations in Camiling, San Clemente, and Tarlac City, enabling hands-on management and swift decision-making to maintain operational efficiency and responsive customer care.

Commitment to Compliance and Sustainability

Compliance and sustainability are integral to the management of the family's service stations. They strictly adhere to regulatory requirements, particularly those of the DENR, covering proper waste disposal and water management. Green initiatives have also been implemented, including LED lighting, energy-efficient technologies, spill and leakage containment systems, and strengthened operational controls.



Employee roles and training are managed without discrimination. While fueling functions are traditionally male-dominated, female employees are equally trained and given opportunities to perform these roles. Performance is regularly monitored, and adjustments particularly in customer relations, are made based on feedback and evolving customer needs.

All service stations are equipped with CCTV systems to reinforce safety and security protocols across their facilities.

Community Engagement and Enduring Purpose

Beyond operations, the family is committed to giving back to the community. Their annual corporate social responsibility initiative includes donations of school supplies and educational assistance to Tarlac National High School. This longstanding partnership has strengthened their relationship with the school and the broader community, fostering a shared sense of purpose.

Beyond Recognition and Awards

While industry recognition celebrates the Company's strong performance, the family views alignment with Petron's sustainability initiatives as its deeper motivation particularly during challenging times. The patriarch's enduring legacy is anchored on trust, integrity, and positive community engagement, values that have sustained the business for decades.

Nurturing a Shared Responsibility



Safeguarding Customer Data

GRI 3-3, 418-1

Protecting customer privacy remains a paramount priority for Petron, particularly in the current digital landscape. This year, we have further fortified our data governance and information security practices in response to evolving digital risks. We firmly believe that safeguarding personal information is essential for operational integrity and customer trust.

Our Data Privacy Policy, approved by the Board of Directors in May 2017, serves as the overarching framework for the responsible handling of personal data. Grounded on the principles of transparency, legitimate purpose, and proportionality, the Policy ensures that personal information is collected solely for specified and lawful purposes. Transparent privacy notices are disseminated across our platforms, and consent is obtained prior to data processing. All public-facing platforms of the Company, from company-owned stores and service stations to our official social media channels and website, carry the Seal of Registration of the National Privacy Commission (NPC)—a trust mark that signifies Petron's registration as a personal information controller and the Company's commitment to ensure the continuous data protection of the public through the annual submission of its data processing systems to the NPC. Implementation and oversight are overseen by our Data Protection Officer (DPO), supported by the Customer Relations Group and Corporate Affairs Department, to ensure consistent compliance and the timely resolution of privacy-related concerns.

To enhance protection and provide stakeholders with valuable information, we regularly conduct public awareness campaigns across our official social media platforms. These campaigns serve as cautionary measures, discouraging customers from engaging in fraudulent activities and scams that exploit the company's name. Additionally, we maintain a dedicated cyber protection page on our website, offering guidance on how customers can safeguard themselves against cybercrime. Furthermore, all feedback channels, including Talk2Us and customer survey forms, mandate that respondents review our data privacy statements prior to submitting their information, reinforcing transparency and informed consent.

In 2025, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data.

Through these sustained efforts, we have cultivated a culture of accountability, vigilance, and responsible data management throughout our organization.

Driving Economic Growth for the Future



Our commitment is anchored in loyalty and transparency toward our customers, encompassing both pricing and the exceptional quality of service we deliver. Despite external challenges, we have successfully maintained the profitability of our operations. Our ability to navigate market fluctuations, respond to evolving demand, and operate efficiently enables us to generate long-term value for our stakeholders. Looking ahead, we are focused on driving sustainable economic growth, supporting local employment, and providing educational opportunities for our communities. Through these endeavors, we serve our stakeholders while fostering growth and progress for our customers and the broader economy.

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

We acknowledge that our economic performance is directly proportional to the value we create for our stakeholders and the broader economic system. As the sole refiner and a domestically owned oil company, we contribute to the economy through revenue generation, tax contributions, and royalty payments, while supporting industries and communities that rely on our products.

Despite a challenging international oil market marked by geopolitical tensions, shifting policies, and fluctuating supply cuts, we sustained our financial resilience. Our strategic marketing initiatives enabled us to capture local demand growth which demonstrates the strength of the Petron brand across different customers and industries. We achieved a combined sales volume of about 138 million barrels from both local and international operations, as strong sales allowed us to optimize our refineries and benefit from more favorable economics. Operating income reached ₱37.3 billion, 28% better than last year, while net income growth further showcases our ability to navigate market headwinds and sustain profitability. In 2025, Petron has received tax relief and credits from the government that amounts to ₱200 million from duties, VAT, excise tax exemption, and Income Tax Holiday for BOI-registered project.

We strategically diversify our operations across regional markets within the Asia-Pacific by participating in the export of petrochemicals and other non-fuel commodities. This strategy reinforces our position as a leading player in the oil industry, both domestically and internationally.

Direct economic value generated and distributed (in million pesos)

Requirements	2025	2024	2023
I. Direct economic value generated			
Total revenue	**813,030**	870,892	803,929
II. Economic value distributed	**785,712**	857,406	788,908
Operating costs	**693,375**	778,705	677,483
Employee wages and benefits	**8,283**	6,653	5,731
Payments to providers of capital	**22,118**	26,742	26,097
Payments to government	**61,875**	45,254	79,545
Community investments	**61**	52	52
III. Economic value retained (calculated as 'Direct economic value generated' less 'Economic value distributed')	**27,318**	13,486	15,021

We also ensure to go beyond regulatory compliance by implementing proactive risk management strategies to address financial, physical, and environmental risks, including natural calamities and market volatility. These risks 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.

Driving Economic Growth for the Future

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.

In addition, our economic success is driven by our dedicated employees, and we prioritize their well-being and financial security. We support government-mandated programs such as SSS, Pag-IBIG, and PhilHealth, ensuring employees receive retirement benefits upon separation.

We also provide partial contributions to the retirement fund throughout the year, based on our financial capacity and the fund's payout requirements. Petron offers a Savings Plan that allows employees to contribute a portion of their salaries, matched by the Company. Together, these initiatives form a comprehensive retirement package that supports both daily financial needs and long-term retirement planning, while also strengthening employee retention.

Defined benefit plan obligations and other retirement plans			
Requirements	**2025**	**2024**	**2023**
If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities	**2,376,179,637**	1,980,784,001.58	2,447,064,510.75
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, 2025**	Actuarial valuation done December 31, 2024	Actuarial valuation done December 31, 2023
The basis on which that estimate has been arrived at			
When that estimate was made			

Market Presence

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

Our extensive geographical presence allows us to engage a diverse talent pool across the nation. With a robust presence in multiple regions, we generate employment opportunities that support families and contribute to the strengthening of local economies. We adhere to stringent qualification standards to develop skills and expertise that benefit both individuals and the broader community. To maintain competitiveness within the industry and attract and retain top-tier professionals, we offer salaries that exceed the minimum wage, complemented by a comprehensive benefits package that safeguards employees' financial security and overall well-being.

Our scholarship programs also align with our commitment to nurturing local talent. This initiative is driven by our aspiration to support the educational aspirations of our stakeholders, fostering hope towards their desired career trajectory. As scholars, they are also provided with opportunities to join Petron upon graduation.

At the same time, local employment strengthens our connection to the markets we serve. Employees with deep local knowledge enable us to deliver products and services that are responsive, reliable, and aligned with customer needs. While no senior management employees were hired from local communities in our significant locations of operation, we actively invest in local talent to develop a skilled workforce and support local economic growth, reinforcing our presence in key markets.

In terms of compensation, all employees, including rank-and-file personnel, receive monthly salaries, and none are classified as minimum wage earners. Our structured salary framework, anchored on role, qualifications, and experience, enhances our industry competitiveness and strengthens our ability to attract, retain, and develop talent across our operations, while ensuring equal opportunity for all employees.

Indirect Economic Contributions

GRI 3-3, 203-1, 203-2
Topic 11.14 Economic impacts

REFINERY ENGINEERING SCHOLARSHIP PROGRAM
Hired November 2025



David Troy San Juan
Utilities Technician
May 16, 2025



Aaron Joshua De Guzman
Reliability Engineer
June 16, 2025



Jan Aries Felipe
Operations Technician
July 16, 2025



Gilson Cruz
Operations Technician
August 18, 2025



Mary Jane Suarez
Procurement Associate
November 3, 2025

Our core business significantly contributes to enhancing the lives of local communities and addressing socioeconomic and environmental challenges. Our strategic presence in terminals and extensive network of service stations not only stimulates commerce but also expands our vision for sustainable development. We take pride in establishing extensive economic, social, and environmental linkages and programs that have generated substantial socioeconomic benefits across both national and local economies.

These programs are primarily driven by PFI which integrates our social and environmental agenda that effectively fuel indirect economic contributions. Through a diverse range of programs matched with strategic partnerships and targeted interventions, we ensure that our initiatives lead to shared economic value creation and sustainable development. We reckon that these programs are economically impactful and embedded in our company's broader sustainability goals.

Our flagship advocacy initiative, Fuel HOPE, embodies our commitment to establishing a blueprint for inclusive and sustainable transformation. Our Company recognizes that resources are strategically allocated to marginalized sectors to improve living conditions and strengthen community resilience. By focusing on education, economic empowerment, environmental sustainability, and other relevant advocacies, Fuel HOPE serves as a catalyst for nation building.

Aligned with Fuel HOPE's objectives, we prioritize key thrusts on education, livelihood, health & human services, and community engagement. Our TAP program provides educational assistance to thousands of less privileged students, giving them access to cultivate their full potential. We provide scholarship programs to formal education in all educational levels. We provide the platform to upgrade their skills and opportunities to become part of the Company.

A similar initiative, the Refinery Engineering Scholarship program, specifically aligns Petron's agenda of producing quality members for its workforce with helping the youth of its host province, Bataan, attain their Engineering degrees from the Bataan Peninsula State University (BPSU). A total of 215 or 67% of all the Petron scholars who graduated eventually found employment at the Petron Bataan Refinery, where 78 remain with Petron.

Our livelihood programs have consistently demonstrated our commitment to improving the lives and communities we serve. Community-based initiatives, such as rag-making, dressmaking, and other income-generating activities, foster economic self-sufficiency.

Driving Economic Growth for the Future

Upholding Transparency and Integrity

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

We adhere to the highest standards of integrity, transparency, and ethical conduct in all our business endeavors. We are resolute in our commitment to eradicating corruption, bribery, and any form of anti-competitive conduct, recognizing the paramount significance of ethical practices in preserving stakeholder trust and fostering a fair and competitive marketplace.

Our governance framework is firmly grounded in our Code of Conduct and Ethical Business Policy, which serve as guiding principles for employees in conducting business with integrity. These standards are consistently communicated and integrated into our daily operations to ensure accountability at every level. In 2025, directors and officers of the Company attended a corporate governance seminar facilitated by SGV & Co. which included a training on anti-bribery and anti-corruption. Furthermore, all newly hired employees were oriented on our Code of Conduct, Ethical Business Policy, and Policy on Anti-Corruption, Anti-Money Laundering, and Sanctions Compliance.

To reinforce compliance, we provide regular training sessions and maintain transparent reporting mechanisms that allow employees to raise concerns or report suspected violations without apprehension of retaliation. Suspected instances of corruption are promptly investigated by the Internal Audit or relevant department, and disciplinary actions are taken as necessary, reflecting our zero- tolerance approach to unethical conduct.

Over the years, there have been no confirmed incidents of corruption, nor any legal actions related to anti-competitive behavior, anti-trust, or monopoly practices. By upholding these standards, we foster a transparent, accountable, and competitive business environment, strengthening our position within the industry.

Tax Compliance

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

Taxes are the lifeblood of government, generating catalytic effects on the economy by enabling the delivery of essential social and economic programs. Through these contributions, taxes support national development and strengthen public service delivery.

As an oil company, our tax compliance requires navigating complex, jurisdiction-specific regulations that govern excise taxes, corporate income taxes, value-added taxes, and other national and local taxes, licenses, and permit fees. These obligations include real property taxes and other statutory charges that are reflected in our cost of sales, cost of services, shipping and loading costs, and general and administrative expenses, as well as withholding taxes. In addition, royalties applicable to specific areas of our operations are paid on top of taxes, further reinforcing our contribution to government revenues and our catalytic role in economic development.

Over the years, Petron has consistently ranked as the highest contributor to the government's Fuel Marking Program, mandated by Republic Act 10963 and implemented in 2019. This program requires injecting a molecular marker into imported and locally refined gasoline, diesel, and kerosene to ensure tax compliance. The program aims to curb smuggling, adulteration, and dilution of petroleum products.

Our active participation and compliance to this program underscore our commitment to fair market practices in the oil industry. Furthermore, we uphold transparency through comprehensive tax disclosures, strengthening public trust and reaffirming our role as a responsible corporate citizen. 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;	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.
Philippines	**Petron Corporation**	Refining and marketing/ distribution of petroleum products	2,386	444,517	23,438	13,799	202,448	3,644	945	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
Philippines	**Petron Marketing Corporation**	Trading, wholesale and retail, distribution of petroleum products, and operation of retail outlets.		13		13		3	3	
Philippines	**Petron Freeport Corporation**	Retailing of petroleum and related products with affiliate businesses	4	816		33	100	6	6	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
Philippines	**New Ventures Realty Corporation**	Acquiring, investing and leasing of land and real properties		106	262	252	4,996	29	53	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
Philippines	**Las Lucas Construction and Development Corporation**	Leasing of real properties and general construction activities		1	30	25	521	4	4	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
Philippines	**South Luzon Prime Holdings Incorporated**	Acquiring, investing and leasing of land and real properties			13	5	67	1	1	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
Philippines	**Mariveles Landco Corporation**	Acquiring, investing and leasing of land and real properties		1	11	2	41	1		
Philippines	**Philippine Polypropylene, Inc.**	Manufacturing and marketing of polypropylene and petrochemicals		2		2				
Philippines	**Mema Holdings, Inc.**	Holding company								
Philippines	**Weldon Offshore Strategic Limited, Incorporated**	Holding company		6		6		1	1	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting
Philippines	**Petrofuel Logistics Inc.**	Providing logistics and freight forwarding services	1,442	3	1,944	205	3,827	39	47	Permanent and temporary differences with respect to different methods of accounting for financial reporting and tax accounting



Moving Forward:

SHAPING THE FUTURE WE WANT

The past 93 years have seen Petron grow steadily in the Philippine energy sector and firmly establish its leadership in the industry. Amid tough competition, stringent regulations, global market uncertainties and geopolitical issues, as well as the growing threats of a changing climate, the task of not only being resilient but staying ahead of the game becomes a daunting challenge.

We remain optimistic of our ability to surmount these challenges, even as we are clear-eyed of shaping the future we want for our company, our workforce, our communities, and our nation. We maintain that our actions not only in this past year but those we have taken in the years before show that we remain on track towards shaping the future we want: one that endures while helping both our shareholders and stakeholders to grow as we grow.

We continue to be a work in progress, and we acknowledge that we have some ways to go. Yet we are staying vigilant of our commitment to make sustainability a conscious mindset, a necessary habit, and a way of life throughout our organization. As we have often said: we know that we can do more and be better.

We will continue to measure our economic, environmental, and social performance against the targets we set at the start of each year as well as the respective sustainability roadmaps developed by our business units. We will likewise continue to align our efforts to help attain the goals indicated in the San Miguel Corporation blueprint – doing what is good for the planet, good for people, and good for progress.

With the Philippine SEC mandating the use of new International Sustainability Standards Board (ISSB), we will scale up our preparation to transition to the new reporting standards. While we have initially provided members of Petron's ESG Technical Working Group training on the rudiments of the IFRS S1 (sustainability-related risks and opportunities and S2 (climate-related disclosures), we will endeavor to give them a deeper understanding of the new standards to ensure a seamless transition from the Global Reporting Initiative (GRI) standards. In the interim, we will continue to use GRI as our basis for sustainability reporting, while also referencing our modest contributions 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 will continue to expand the size and scope of our reforestation efforts under our *Puno ng Buhay* program to both intensify our efforts to sequester carbon as well as protect biodiversity, guided by the science-based assessment of carbon sequestration and avoided emissions by experts from the UPLB College of Forestry and Natural Resources. Side by side with this, we will explore and help create opportunities for our partner communities to attain economic success.

We will further widen the practice of circularity in our business processes in alignment with our support to the Extended Producers Responsibility (EPR) law. We will endeavor to generate greater participation among our Petron Dealers Association, as well as other business partners and members of our workforce.

We will build upon learning platforms such as the Refinery Technical Forum (RTF) and Terminal Ecowatch that encourage innovation and out-of-the-box thinking among our employees to find new or unique pathways to grow the business sustainably. Both the RTF and Ecowatch foster teamwork among the participants to ensure a broad appreciation of the challenges facing the Refinery and Terminals and collectively propose innovative and lasting solutions.

By integrating ESG initiatives into our regular business planning process and making them form part of capital expenditure proposals for budget approval consideration, we encourage our business units to ensure that sustainability practices and their results/ impacts become a measure of the programs' success.

In shaping the future we want, we must build on the successes of the past nine decades and envision our business beyond today. We must continue to do the right things well and consistently, even as we strive to find new ways to improve our performance, enhance our systems, communicate our successes, and learn from our failures. We must consistently measure, monitor, and report the progress of our sustainability performance through our sustainability reports and use this to anchor our strategic decisions moving forward, as we shape the future we want for our Company, our customers, our colleagues, our communities, and our country.

Awards and Recognition

TIME's 2025 Top 500 Asia-Pacific Companies

Asean Corporate Governance Scorecard's (AGCS) Golden Arrow Awards 2025

- 3-Arrow Recognition

Plaques of Recognition and Appreciation from Bureau of Customs

- Top Importer for 2024 based on over-all duties and taxes paid
- Top 4 Importer at the Port of Manila for 2024 in terms of revenue contribution
- Top Importer for 2024 in terms of duties and taxes paid in Limay, Bataan
- Top 2 Importer in Region X for Petron Tagoloan Terminal/PHIVIDEC

Sinag ng Bataan

- Top Real Property Taxpayer, Industrial Business Category

Gawad Manileño Award 2025

- Top Real Property Taxpayer

Awards for Petron Corporation US$475M PerpNC3 Offering and Liability Management

- Best Bond Deal in the Philippines at Finance Asia Achievement Awards 2025
- Best Capital Markets Deal in the Philippines at International Financing Review Asia Awards 2025
- Best Liability Management transaction for the Philippines at Asset's Triple A Awards 2025

Workplace Advocates on Safety in the Philippines, Inc. (WASPI) Safety Excellence Award

- Petron Terminal in Amlan, Bacolod, Batangas, Bawing, Davao, Iligan, Iloilo, Jimenez, JOCASP, Legazpi, Limay, Mactan, Mandaue, Manufacturing Lube Oil Blending Plant, Nasipit, Navotas, New Lube Oil Blending Plant, Ormoc, Palawan, Pasacao, Pasig, Poro, Rosario, Roxas, San Fernando, Tacloban, Tagbilaran, Tagoloan, Zamboanga



GRI Content Index

STATEMENT OF USE	Petron Corporation has reported in accordance with the GRI Standards for the period January 1, 2025 to December 31, 2025.
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	2-1 Organizational details	8-10					
	2-2 Entities included in the organization's sustainability reporting	3					
	2-3 Reporting period, frequency and contact point		January 1 to December 31, 2025 Annually Publication date: April 15, 2026 Contact person: Ramon S. Ang President and CEO				
	2-4 Restatements of information		None for the previous reporting period (2024)				
	2-5 External assurance		The report has not been externally assured.				
	2-6 Activities, value chain and other business relationships	8-10					
	2-7 Employees	49					
	2-8 Workers who are not employees	50					
	2-9 Governance structure and composition	14-15					
	2-10 Nomination and selection of the highest governance body	16					
	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	14-15					
	2-13 Delegation of responsibility for managing impacts	16-17					
	2-14 Role of the highest governance body in sustainability reporting	16-17					
	2-15 Conflicts of interest		Petron Corporation Definitive Information Statement on SEC Form 20-IS for the 2026 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 2025 (pp. 77 and 78.)				

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 2025, the training for the directors and key officers of the Company included topics on 1) Sustainability; 2) Anti-Bribery and Anti-Corruption; and 3) AI Risk and Governance, 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 2025, with the coverage and results of the evaluation reported in the Petron Corporation Definitive Information Statement on SEC Form 20-IS for the 2026 annual stockholders' meeting (p. 107.)				
	2-19 Remuneration policies	18					
	2-20 Process to determine remuneration	18					
	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.	
	2-22 Statement on sustainable development strategy	4-7, 20					
	2-23 Policy commitments	19-20					
	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).				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
GRI 2: General Disclosures 2021	2-25 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 2025, with significance being based on a material effect on the operations and/or financial condition of the Company.				
	2-28 Membership associations		• 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	24-25					
	2-30 Collective bargaining agreements	52					
MATERIAL TOPICS							
GRI 3: Material Topics 2021	3-1 Process to determine material topics	25					
	3-2 List of material topics	26-27					
Economic Performance							
GRI 3: Material Topics 2021	3-3 Management of material topics	73-74					11.2.1 11.14.1 11.21.1
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	73					11.14.2 11.21.2
	201-2 Financial implications and other risks and opportunities due to climate change	73					11.2.2
	201-3 Defined benefit plan obligations and other retirement plans	74					
	201-4 Financial assistance received from government	73					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	74					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	74					
	202-2 Proportion of senior management hired from the local community	74					11.11.2 11.14.3
Indirect Economic Impacts							
GRI 3: Material Topics 2021	3-3 Management of material topics	75					11.14.1
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	75					11.14.4
	203-2 Significant indirect economic impacts	75					11.14.5
Anti-Corruption							
GRI 3: Material Topics 2021	3-3 Management of material topics	76					11.20.1
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	76					11.20.2
	205-2 Communication and training about anti-corruption policies and procedures	76					11.20.3
	205-3 Confirmed incidents of corruption and actions taken	76					11.20.4
Anti-Competitive Behavior							
GRI 3: Material Topics 2021	3-3 Management of material topics	76					11.19.1
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	76					11.19.2
Tax							
GRI 3: Material Topics 2021	3-3 Management of material topics	77-79					11.21.1
GRI 207: Tax 2019	207-1 Approach to tax	77-79					11.21.4
	207-2 Tax governance, control, and risk management	77-79					11.21.5
	207-3 Stakeholder engagement and management of concerns related to tax	77-79					11.21.6
	207-4 Country-by-country reporting	78-79					11.21.7
Materials							
GRI 3: Material Topics 2021	3-3 Management of material topics	33-34					
GRI 301: Materials 2016	301-1 Materials used by weight or volume	33					
	301-2 Recycled input materials used	34					
	301-3 Reclaimed products and their packaging materials	34					

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	34-36					11.1.1
GRI 302: Energy 2016	302-1 Energy consumption within the organization	35					11.1.2
	302-2 Energy consumption outside of the organization			Energy consumption outside of the organization	Information unavailable	Data not monitored	11.1.3
	302-3 Energy intensity	35					11.1.4
	302-4 Reduction of energy consumption	36					
	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	36-38					11.6.1
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	36-38					11.6.2
	303-2 Management of water discharge-related impacts	36-38					11.6.3
	303-3 Water withdrawal	37					11.6.4
	303-4 Water discharge	38					11.6.5
	303-5 Water consumption	38					11.6.6
Biodiversity							
GRI 3: Material Topics 2021	3-3 Management of material topics	39-41					11.4.1
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	39-41					
	101-2 Management of biodiversity impacts	39-41					
	101-3 Access and benefit-sharing				Not applicable		
	101-4 Identification of biodiversity impacts				Not applicable		
	101-5 Locations with biodiversity impacts				Not applicable	Please note that Petron facilities and/or operations in its supply chain are of considerable distance from the adopted *Puno ng Buhay* reforestation sites and pose no significant impact on the biodiversity of the said areas.	
	101-6 Direct drivers of biodiversity loss				Not applicable		
	101-7 Changes to the state of biodiversity				Not applicable		
	101-8 Ecosystem services				Not applicable		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Emissions							
GRI 3: Material Topics 2021	3-3 Management of material topics	42-45					11.1.1 11.2.1 11.3.1
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	42-43					11.1.5
	305-2 Energy indirect (Scope 2) GHG emissions	42-43					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 2025 report	11.1.7
	305-4 GHG emissions intensity	44					11.1.8
	305-5 Reduction of GHG emissions	44					11.2.3
	305-6 Emissions of ozone-depleting substances (ODS)	45					
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	45					11.3.2
Waste							
GRI 3: Material Topics 2021	3-3 Management of material topics	46-47					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 2025, we have no incidents of significant oil spills.				11.8.2
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	46-47					11.5.2
	306-2 Management of significant waste-related impacts	46-47					11.5.3
	306-3 Waste generated	47					11.5.4
	306-4 Waste diverted from disposal	47					11.5.5
	306-5 Waste directed to disposal	47					11.5.6
Employment							
GRI 3: Material Topics 2021	3-3 Management of material topics	49-51					11.10.1 11.11.1
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	50-51					11.10.2
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	51					11.10.3
	401-3 Parental leave	51					11.10.4 11.11.3
Labor/Management Relations							
GRI 3: Material Topics 2021	3-3 Management of material topics	52-53					11.7.1 11.10.1
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	52-53					11.7.2 11.10.5

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Occupational Health and Safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	54-55					11.9.1
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	54-55					11.9.2
	403-2 Hazard identification, risk assessment, and incident investigation	54-55					11.9.3
	403-3 Occupational health services	54-55					11.9.4
	403-4 Worker participation, consultation, and communication on occupational health and safety	54-55					11.9.5
	403-5 Worker training on occupational health and safety	54-55					11.9.6
	403-6 Promotion of worker health	54-55					11.9.7
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	54-55					11.9.8
	403-8 Workers covered by an occupational health and safety management system	54-55					11.9.9
	403-9 Work-related injuries	55					11.9.10
	403-10 Work-related ill health	55					11.9.11
Training and Education							
GRI 3: Material Topics 2021	3-3 Management of material topics	56-57					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	57					11.10.6 11.11.4
	404-2 Programs for upgrading employee skills and transition assistance programs	57					11.7.3 11.10.7
	404-3 Percentage of employees receiving regular performance and career development reviews	57					
Local Communities							
GRI 3: Material Topics 2021	3-3 Management of material topics	60-61					11.15.1
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	60-61					11.15.2
	413-2 Operations with significant actual and potential negative impacts on local communities	60-61					11.15.3
Customer Health and Safety							
GRI 3: Material Topics 2021	3-3 Management of material topics	64-65					11.3.1
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	64-65					11.3.3
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	65					

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	PAGE LOCATION	ANSWER	OMISSION			GRI SECTOR STANDARD REF. NO.
				REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Marketing and Labeling							
GRI 3: Material Topics 2021	3-3 Management of material topics	66-67					
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	66-67					
	417-2 Incidents of non-compliance concerning product and service information and labeling	66-67					
	417-3 Incidents of non-compliance concerning marketing communications	66-67					
Customer Privacy							
GRI 3: Material Topics 2021	3-3 Management of material topics	70-71					
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	70-71					

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 2025, 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.

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