

**MINUTES OF THE ANNUAL MEETING
OF THE STOCKHOLDERS OF PETRON CORPORATION
(May 16, 2023)**

Time and Place

The Annual Stockholders' Meeting of **PETRON CORPORATION** (the "Company" or "Petron") was held on May 16, 2023 via livestreaming at <https://www.petron.com/2023asm>. The meeting commenced at about 2:00 p.m.

Quorum Report

The Corporate Secretary of the Company, Atty. Jhoanna Jasmine M. Javier-Elacio, reported that the notice of the meeting was duly distributed to the stockholders as of the March 20, 2023 record date in compliance with the by-laws of the Company and the requirements of the Securities and Exchange Commission. Based on the stock transfer agent's certification on the attendance of the meeting – covering attendance in person, by attendance advice emailed to the Company and by proxy – there was about 73.67% of the total outstanding shares represented. Thus, a quorum was announced.

Atty. Elacio noted that the Chairman of the meeting held proxies for 73.83% of the outstanding common shares of the Company and was voting in accordance with the instructions in the proxies.

Present in the Executive Dining Room at the SMC Head Office Complex at 40 San Miguel Avenue, Mandaluyong City were the following directors and officers:

Directors

- (1) Ms. Aurora T. Calderon
- (2) Mr. Lubin B. Nepomuceno (also the Company's General Manager)

Officers

- (1) Mr. Emmanuel E. Eraña, Senior Vice President and Chief Finance Officer
- (2) Mr. Freddie P. Yumang, Senior Vice President - Chief Risk Officer
- (3) Ms. Susan Y. Yu, Vice President ("VP") - Procurement
- (4) Ms. Maria Rowena O. Cortez, VP - Supply
- (5) Mr. Albertito S. Sarte, Deputy Chief Finance Officer and Treasurer
- (6) Mr. Jaime O. Lu, VP and Executive Assistant to the President on Petron Malaysia Operations, Refinery Special Projects and REND
- (7) Ms. Maria Rosario D. Vergel de Dios, VP - Human Resources Management
- (8) Ms. Magnolia Cecilia D. Uy, VP - Retail Sales
- (9) Ms. Myrna C. Geronimo, VP and Controller
- (10) Mr. Allister J. Go, VP - Refinery Division
- (11) Mr. Virgilio V. Centeno, VP - Industrial Sales
- (12) Mr. Jonathan F. Del Rosario, VP - Operations & CTSG
- (13) Ms. Agnes Grace P. Perez, Assistant Vice President ("AVP") - Business Planning and Development
- (14) Ms. Mia S. Delos Reyes, AVP - Corporate Affairs
- (15) Mr. Brian R. Ocampo, AVP - Management Information Systems
- (16) Atty. Jhoanna Jasmine M. Javier-Elacio Elacio, AVP - General Counsel & Corporate Secretary/ Compliance Officer
- (17) Ma. Crisselda T. Torcuator, Assistant Corporate Secretary

Atty. Elacio proceeded to acknowledge the attendance of all the directors, including the following directors who joined the meeting via Zoom:

- (1) Ramon S. Ang
- (2) Estelito P. Mendoza
- (3) Jose P. De Jesus
- (4) Ron W. Haddock

- (5) Mirzan Mahathir
- (6) Francis H. Jardeleza
- (7) Virgilio S. Jacinto
- (8) Nelly Favis-Villafuerte
- (9) Horacio C. Ramos
- (10) John Paul L. Ang
- (11) Artemio V. Panganiban (Independent Director)
- (12) Margarito B. Teves (Independent Director)
- (13) Ricardo C. Marquez (Independent Director)

Also in attendance via livestream were the following key officer, the Investor Relations Manager, and the signing partner of R.G. Manabat & Co./KPMG, the Company's external auditor for 2022:

- (1) Mr. Mark Tristan D. Caparas, VP and Chief Finance Officer – Petron Malaysia
- (2) Mr. Erich Y. Pe Lim, Investor Relations Manager
- (3) Ms. Rohanie C. Galicia, Signing Partner, R.G. Manabat & Co./KPMG.

Atty. Elacio proceeded to explain that, after the Management's Report, questions and comments emailed in advance to the Company's dedicated email address for the meeting at 2023asmpetron@petron.com would be given priority.

Call to Order

There being a quorum, the Chairman of the meeting, Mr. Lubin B. Nepomuceno, called the annual meeting of the stockholders to order and presided over the same. Atty. Elacio recorded the minutes of the proceedings.

Reading of the Agenda and Explanation of Voting Procedure

For ease of reference of the stockholders, the rest of the agenda of the meeting was presented on the screen as follows:

- (1) Review and Approval of the Minutes of the Previous Annual Stockholders' Meeting
- (2) Management Report and Submission to the Stockholders of the 2022 Financial Statements
- (3) Ratification of All Acts of the Board of Directors and Management Since the 2022 Annual Stockholders' Meeting
- (4) Appointment of an External Auditor and Ratification of External Auditor Fees
- (5) Election of the Board of Directors for the Ensuing Term
- (6) Ratification of Directors' Fees
- (7) Other Matters
- (8) Adjournment

Atty. Elacio reminded the stockholders that the rationale and brief explanation of each agenda item were provided in the Notice and Agenda of the Definitive Information Statement for the meeting that has been earlier made available by the Company in the Company website and via Edge of the Philippine Stock Exchange ("PSE Edge").

She explained the voting procedure where each common share is entitled to one vote and that voting shall be made in accordance with the procedure set forth in the Definitive Information Statement.

A summary of the voting procedure was flashed on the screen as follows:

Voting Procedure:

- Simple majority vote for the following:
 - (1) the approval of the minutes of the 2022 Annual Stockholders' Meeting;
 - (2) the ratification of all acts of the Board of Directors and Management since the 2022 Annual Stockholders' Meeting;
 - (3) the appointment of the external auditor of the Company for 2023 and the ratification of external auditor's fees; and
 - (4) the ratification of directors' fees.
- The fifteen nominees who get the highest votes to be deemed elected as directors; cumulative voting is allowed where a stockholder may:
 - (1) distribute his/her votes per share to all the nominees, or
 - (2) cumulate all his/her shares and give one candidate all his/her votes, or
 - (3) he/she may distribute his/her votes among his chosen nominees.

Review and Approval of Minutes of Previous Meeting

The Chairman announced that the first item in the agenda was the approval of the minutes of the May 17, 2022 Annual Stockholders' Meeting, a copy of which had been posted in the company website on May 20, 2022, the third (3rd) business days after the meeting. On motion duly made and seconded, and there being no objection, the minutes of the Annual Stockholders' Meeting held on May 17, 2022 were approved.

Based on the vote canvassing results provided by the SMC Stock Transfer Corporation, the stock transfer agent of the Company, (the “Voting Canvassing Results”) this agenda item had the following voting results:

For	6,917,775,001 - 73.789%
Against	0 - 0.000%
Abstain	0 - 0.000%

Annual Report and Other Reports of Management

The Senior Vice President and Chief Finance Officer of the Company, Mr. Emmanuel E. Eraña, delivered the management report covering operations for 2022 and the first quarter of 2023, with highlights as follows:

1. Petron reported a stable growth in 2022, with an increase in volume by 37% with 112.81 million barrels sold compared to the previous year’s 82.24 million barrels due to improving demand. Petron’s operating income closed at P19.21 billion, 12% more than 2021’s P17.21 billion, which was in part due to more favorable refining cracks and optimized refinery operation. Despite global economic challenges in the second half of 2022, Petron maintained its recovery with a consolidated net income of P6.7 billion, a 9% increase from 2021’s P6.1 billion.

2. Petron showed continuous improvement in 2023. The Company reported that it was expecting a more vibrant industry as the country emerges from the pandemic, with full recovery in terms of volume and revenue being projected. For the first quarter, Petron’s consolidated revenues reached P172.33 billion, a significant jump from last year’s P83.3 billion. Its consolidated net income reached P3.4 billion for the first three months of 2023, slightly lower than last year’s P3.6 billion due to external pressures such as lower crude prices, inflation, and recession concerns.

3. In 2022, Petron focused on stabilizing the business, strengthening volume recovery, and meeting the requirements of its customers and the country. This was manifested in the Company's LPG, industrial, and retail segments, as well as its non-fuel business. Petron also highlighted that 2022 was a breakthrough year for its LPG business in the Philippines as it regained the number one position in the market.

4. Another testament to Petron's year of growth is the overall rise in demand and more favorable refining margins in the region, which led to the optimized operations at the Petron Bataan Refinery and increased average crude run by nearly 50%. Furthermore, Petron restarted operations at the polypropylene plant in Mariveles, Bataan to capture market requirements for polypropylene products in the Philippines and abroad. To complement the overall volume increase, Petron's storage and distribution framework proved reliable and efficient as it delivered a 98% nationwide delivery fulfillment performance for its customer accounts.

5. To maintain its market leadership in 2022, Petron continued to invest in the growth enhancement of its retail network. Petron built more service stations, appointed and activated new dealers, entered into new supply agreements, and firmed up its presence in both traditional and non-traditional outlets.

6. The Company also concentrated on carving out a stronger position in Malaysia as one of its leading oil companies. As Petron Malaysia celebrated its 10th anniversary, it was able to establish itself as a reliable brand with a 600-strong workforce and 750 service stations throughout the country. It also made major investments in the Port Dickson Refinery, retail network expansion, customer service programs, and sustainability initiatives to ensure that it is ahead of the competition in the years to come.

7. To strengthen its position as the country's dedicated partner for sustainability and progress, Petron has invested heavily on Environment, Social, and Governance programs across its operations to reduce its environmental impact while increasing operational efficiency. These include: (a) the installation of solar panels at selected service stations; (b) the improvement of plastic waste reduction and water conservation programs; (c) the building of a more efficient source of steam and power for the Petron Bataan Refinery; and (d) the planned construction of the Company's own coco methyl ester or CME plant to provide better margins for diesel products.

8. Petron continued its support for Corporate Social Responsibility programs such as the *Tulong Aral ng Petron* and the *Puno ng Buhay* initiative. Petron also formed new partnerships with national agencies and local governments to provide more livelihood opportunities and promote biodiversity conservation in its communities.

Mr. Eraña ended his report by thanking all stakeholders for their continued support.

Open Forum

The Chairman opened the floor for questions from stockholders. As explained at the beginning of the meeting by Atty. Elacio, the Corporate Secretary, questions and comments emailed in advance were prioritized.

The questions and comments raised and matters discussed are set out below.

(1) Ms. K. Domingo of Imus, Cavite noted that Petron registered higher sales and net income in 2022. She asked if Petron could be said to have fully recovered from the effects of the pandemic.

Mr. Nepomuceno explained that Petron could be said to have overcome the worst effects of the pandemic. To support his statement, he cited the increase in sales volume, especially in retail and aviation, given the easing of travel restrictions.

(2) Ms. A. Martinez of Quezon City asked about clean energy programs of Petron.

Mr. Nepomuceno mentioned the following projects of the Company on clean energy:

- a. installation of solar panels in selected service stations and initiation of programs related to electric vehicle charging;
- b. construction of a new power plant to efficiently produce steam and power to run the Refinery; and
- c. planned construction of a coco-methyl ester plant in Bataan.

(3) Ms. H. Sy of Parañaque City was thankful for the lowered prices of gasoline and diesel compared to the previous year. She asked if the lowering of prices would continue.

Mr. Nepomuceno explained that the prices of petroleum products are dependent on external factors such as the movement of prices in international market, geopolitical concerns, and other factors that are beyond the control of Petron. He expressed, however, that the Company was hopeful that the prices would be more stable.

(4) Ms. L. Barcarse of Bataan asked when the stockholders' meeting would be conducted face-to-face.

Mr. Nepomuceno explained that the Company prioritized safety given the increasing numbers of COVID-19 cases and decided that the stockholders' meeting still be virtual. He expressed his wish that, by next year, face-to-face meetings would be safer.

(5) Ms. E. Gomez of Mangatarem, Pangasinan had a lease offer on her property. The Company announced that her proposal would be referred to the relevant division of the Company.

Without any further questions or comments sent, the open forum was closed and, on motion duly made and seconded, the management report and the audited financial statements of the Company for 2022, together with other written reports distributed to the stockholders or made available on the Company website, were accepted and filed as part of the minutes of the meeting.

The following resolution was accordingly passed by the stockholders:

Resolution No. 1, Series of 2023

RESOLVED, That the 2022 Annual Report of Management, the Management Report, including the 2022 financial statements, as well as the other reports of Management distributed and mailed to the stockholders of Petron Corporation or made available on the company website, be, and hereby are, ACCEPTED and FILED as part of the minutes of the present meeting.

Based on the Vote Canvassing Results, this agenda item had the following voting results:

For	6,914,987,001 - 73.759%
Against	0 - 0.000%
Abstain	2,788,000 - 0.030%

Ratification of all Acts of the Board of Directors and Management

The Chairman then noted that the next item in the agenda was the ratification of all acts of the Board of Directors, the Executive Committee, and the Management since the last Annual Stockholders' Meeting held in 2022.

Atty. Elacio explained that the material items approved by the Board of Directors and/or the Executive Committee since the 2022 Annual Stockholders' Meeting included those in the list attached as Annex B to the Definitive Information Statement earlier made available by the Company in the Company website and via PSE Edge.

Upon motion made and seconded, the following resolution was accordingly passed:

Resolution No. 2, Series of 2023

RESOLVED, That all acts, resolutions and proceedings of the Board of Directors and corporate officers of Petron Corporation (the "Company") since the Annual Meeting of the Stockholders of the Company on May 17, 2022, as set forth in the minutes of the meetings of the Board of Directors and the Executive Committee be APPROVED, CONFIRMED and RATIFIED.

Based on the Vote Canvassing Results, this agenda item had the following voting results:

For	6,914,987,001 - 73.759%
Against	0 - 0.000%
Abstain	2,788,000 - 0.030%

**Appointment of External Auditor
and Ratification of External Auditor Fees**

The Chairman then announced that the next item in the agenda was the appointment of the accounting firm R.G. Manabat & Co., CPAs/KPMG as external auditor of the Company for 2023 and the ratification of the external auditor fees for the review and preparation of the 2023 audited financial statements of the Company and its subsidiaries.

Upon confirmation by Mr. Margarito B. Teves, an Independent Director and the Chairperson of the Board Audit Committee, and on motion made and duly seconded, the stockholders approved the following resolution:

Resolution No. 3, Series of 2023

RESOLVED, That the appointment of the accounting firm R.G. Manabat & Co., CPAs/KPMG as the external auditor of Petron Corporation (the "Company") for 2022 be, and hereby is, APPROVED.

RESOLVED, FURTHER That the fees of R.G. Manabat & Co., CPAs/KPMG for the review and preparation of the 2022 Audited Financial Statements of the Company and its subsidiaries in the amount of P6,744,200 as approved by the Board of Directors on March 8, 2022 be, and hereby are, RATIFIED.

Based on the Vote Canvassing Results, this agenda item had the following voting results:

For	6,917,775,001 - 73.789%
Against	0 - 0.000%
Abstain	0 - 0.000%

Election of Directors

The Chairman announced that the next item on the agenda is the election of directors.

The Corporate Secretary proceeded to announce the nomination of the following as directors of the Company:

- (1) Mr. Ramon S. Ang
- (2) Mr. Lubin B. Nepomuceno
- (3) Atty. Estelito P. Mendoza
- (4) Mr. Jose P. de Jesus
- (5) Mr. Ron W. Haddock
- (6) Ms. Aurora T. Calderon
- (7) Ret. Justice Francis H. Jardeleza
- (8) Mr. Mirzan Mahathir
- (9) Atty. Virgilio S. Jacinto
- (10) Atty. Nelly Favis-Villafuerte
- (11) Mr. Horacio C. Ramos
- (12) Mr. John Paul L. Ang
- (13) Ret. Chief Justice Artemio V. Panganiban (Independent)
- (14) Mr. Margarito B. Teves (Independent)
- (15) Mr. Ricardo C. Marquez (Independent)

Atty. Elacio explained that, as discussed in the Definitive Information Statement distributed for the meeting, Independent Director Ret. Chief Justice Artemio V. Panganiban has been serving the Company as an independent director for more than nine (9) years, beyond the term limits of independent directors. In accordance with the Manual on Corporate Governance of the Company and upon

endorsement of the Corporate Governance Committee of the Company, the Board of Directors found that the independence of Director Panganiban has not been diminished or impaired by his long service as a member of the Board of Directors and it had full confidence that Director Panganiban would continue acting as an independent director with the same zeal, diligence and vigor as when first elected. Therefore, the Board of Directors had approved and endorsed for the vote of the stockholders of the Company the election of the 15 nominees, including Director Panganiban as an independent director pursuant to Corporate Governance Manual of the Company.

As explained in the Definitive Information Statement and by the Corporate Secretary at the start of the meeting, cumulative voting was allowed in the election of directors.

Upon confirmation by Mr. Teves, a member of the Board Corporate Governance Committee, the following motions were made and duly seconded: (i) motion to dispense with balloting; (ii) motion to declare all nominees be considered unanimously elected as directors of the Company for the ensuing year, including Independent Director Panganiban, until their successors are elected and qualified; and (iii) motion for the votes of the stockholders present and represented by proxies be distributed and recorded accordingly. These motions were all approved.

Pursuant to such motions, votes were cast for all shares duly represented at the meeting in favor of the 15 nominees, except as otherwise expressly instructed in a written proxy given the Chairman.

With the required votes being obtained by the nominees, the Chairman declared the following persons as duly elected directors of the Company, with the voting results based on the Vote Canvassing Results:

Election of the Board of Directors - Annual Stockholders Meeting 2023

No.	Nominee	IN FAVOR	AGAINST	ABSTAIN	TOTAL
1	RAMON S. ANG	6,917,468,101	94,200	212,700	6,917,775,001
2	LUBIN B. NEPOMUCENO	6,859,685,001	0	58,090,000	6,917,775,001
3	ESTELITO P. MENDOZA	6,858,913,901	94,200	58,766,900	6,917,775,001
4	JOSE P. DE JESUS	6,859,676,001	0	58,099,000	6,917,775,001
5	RON W. HADDOCK	6,859,676,001	0	58,099,000	6,917,775,001
6	AURORA T. CALDERON	6,859,581,801	94,200	58,099,000	6,917,775,001
7	FRANCIS H. JARDELEZA	6,859,676,001	0	58,099,000	6,917,775,001
8	MIRZAN MAHATHIR	6,859,676,001	0	58,099,000	6,917,775,001
9	VIRGILIO S. JACINTO	6,859,017,101	0	58,757,900	6,917,775,001
10	NELLY FERVIS-VILLAFUERTE	6,859,685,001	0	58,090,000	6,917,775,001
11	HORACIO C. RAMOS	6,859,676,001	0	58,099,000	6,917,775,001
12	JOHN PAUL L. ANG	6,859,581,801	94,200	58,099,000	6,917,775,001
13	ARTEMIO V. PANGANIBAN	6,859,794,501	94,200	57,886,300	6,917,775,001
14	MARGARITO B. TEVES	6,917,722,001	0	53,000	6,917,775,001
15	RICARDO C. MARQUEZ	6,917,722,001	0	53,000	6,917,775,001
TOTAL		103,067,551,215	471,000	698,602,800	103,766,625,015

Pursuant to the foregoing, the following resolution was approved:

Resolution No. 4, Series of 2023

RESOLVED, That the following persons are hereby declared as the duly elected directors of the Corporation, to serve for a term of one year or until their successors shall have been duly elected and qualified in accordance with the by-laws of the Company:

Mr. Ramon S. Ang
Mr. Lubin B. Nepomuceno
Atty. Estelito P. Mendoza
Mr. Jose P. de Jesus
Mr. Ron W. Haddock
Mr. Mirzan Mahathir
Ms. Aurora T. Calderon
Ret. Justice Francis H. Jardeleza
Atty. Virgilio S. Jacinto
Atty. Nelly Favis-Villafuerte

Mr. Horacio C. Ramos
Mr. John Paul L. Ang
Ret. Chief Justice Artemio V. Panganiban (Independent)
Mr. Margarito B. Teves (Independent)
Mr. Ricardo C. Marquez (Independent)

Ratification of Directors' Fees

The Chairman then announced that the next item in the agenda was the ratification of the directors' fees for 2023.

Atty. Elacio advised that, after evaluation, and based on the recommendation of Management and in accordance with the Corporate Governance Manual of the Company, on March 6, 2023, the Corporate Governance Committee recommended the payment of the directors' fees for 2023 in the amount of P17.25 million and the Board of Directors approved the same.

Upon confirmation by Ret. Chief Justice Artemio V. Panganiban, an Independent Director and the Chairperson of the Board Corporate Governance Committee, and on motion made and duly seconded, the stockholders approved the following resolution:

Resolution No. 5, Series of 2023

RESOLVED, That the fees of the directors for 2023 in the amount of P17.25 million (inclusive of per diems for scheduled board and committee meetings) as approved by the Board of Directors on March 6, 2023 be, and hereby are, RATIFIED.

Based on the Vote Canvassing Results, this agenda item had the following voting results:

For	6,917,775,001	- 73.789%
Against	0	- 0.000%
Abstain	0	- 0.000%

Adjournment

There being no further matters raised, and on motion made and seconded, the Chairman adjourned the meeting at about 2:25 p.m. and thanked the stockholders for their attendance and support.

Respectfully submitted:

JHOANNA JASMINE M. JAVIER-ELACIO
Corporate Secretary

Approved by:

LUBIN B. NEPOMUCENO
Chairman of the Meeting