

Pilipinas Shell Petroleum Corporation
SUSTAINABILITY COMMITTEE CHARTER

Purpose

The Sustainability Committee is a committee under the Board of Directors (“Board”) of Pilipinas Shell Petroleum Corporation who shall have authority over SP functions. The Committee carries out certain oversight functions on behalf of the Board. The Sustainability Committee aims to support one of the Mission Statements of the PSPC which is “to partner with the Government and Communities in promoting social investments and advocacies that contribute to national development” to “aims to support the mission of PSPC to be a partner in nation-building through multi-sector collaboration, especially with national and local government, civil society/NGOs and communities, on sustainability initiatives.”

Limitations in the Committee’s Role

It is not the duty of the Committee to

1. plan or conduct SP audits, this being the responsibility of management and the SP function.
2. determine the management of the safe condition and environmentally responsible operation of the Company’s facilities and assets, which is the role of the Management
3. determine the appropriate level of the Company’s exposure to risk, which is the role of the Board.
4. propose programs and projects that are not aligned with PSPC’s social performance and social investment strategies

Membership

The Sustainability Committee is appointed by the Board and shall be composed of at least three (3) Non-Executive Directors.

The Committee is composed in such a way that it possesses, as a group, the necessary knowledge, skills and experience required to properly perform its duties.

The Committee Chairman must be elected by the Board.

To assist the Committee in its concerns, the Committee shall be supported by the Sustainability Secretariat.

Secretary

The Sustainability Secretariat which shall be composed of a representative from External Relations – Social Performance Department. The representative from the External Relations – Social Performance Department does not need to be the Social Performance Manager.

It shall be headed by the Committee Secretary appointed by the Sustainability Committee.

The Sustainability Secretariat shall be the principal support body of the Sustainability Committee.

The Committee Secretary shall provide assistance to the members of the Committee, including but not limited to assisting the Committee Chair in planning the work of the Committee, formulating meeting agendas, maintenance of committee minutes, collation and distribution of information required by the Committee and provide practical support, as and when needed.

Authority

The Board has constituted the Committee with the authorities necessary to perform the duties set out in this Charter. The Committee, within the scope of its assigned duties, is authorised to seek any information it requires from employees and external parties.

The Committee may engage advisers or otherwise obtain independent legal or other professional services it requires, at the expense of the Company.

The Board will provide the Committee with sufficient resources to undertake its duties.

Quorum

The Committee is and acts as a collegial body. Accordingly, a quorum shall be required to pass any action.

A quorum shall consist of at least 2 members:

- a) In attendance, whether in person or by video/teleconferencing facility, or
- b) As evidenced by a paper resolution duly signed by at least 2 members.

Meetings

1. Meeting Frequency
 - a. Meetings shall be held at least three times each calendar year, usually preceding or after the meetings of the Board.
2. Meeting Attendance
 - a. Only the Committee Chairman and members shall be entitled to participate in Committee meetings.
 - b. At the invitation of the Committee, others, including Directors and Management and the HSSE Manager and VP-Finance, Treasurer and Chief Risk Officer, may also attend the Committee meetings.
 - c. In the absence of the Chair, the meeting shall be chaired by another Non-Executive director.

- d. The Committee shall meet regularly with the Sustainability Secretariat and if a separate individual, the Social Performance Manager. If the Committee so desires, it shall meet with these and other staff in separate session without management being present.
3. Meeting Minutes
 - a. Minutes of the Committee meeting will be recorded and be maintained by the Committee Secretary.

Annual General Meeting

The Committee Chairman shall be prepared to respond to any questions relating to the Committee's activities at the Annual General Meeting of the Company's shareholders.

Duties

SP

The Committee shall:

- Share external sustainability best practices and trends;
- When there is opportunity, steer the Business to provide additional resources or support to particular social performance, social investment and sustainability initiatives;
- Provide support needed with regard to engagement with external stakeholders;
- Support communication on PSPC's social performance, social investment and sustainability initiatives, if needed; and
- review the sustainability-related content of the Company's Annual Report prior to its issuance.

Reporting

The Committee shall:

- report regularly to the Board on the Committee's activities, issues and its proceedings after each meeting on all matters within its duties and responsibilities;
- prepare its Minutes, through its Secretariat, describing the committee's composition, meeting attendance, responsibilities and how they were discharged, overall performance of the Committee and other accomplishments or activities;
- make **recommendations** to the Board on **SP and sustainability** matters;
- review **ASR Reporting**; and **SP and sustainability disclosures** with legal counsel; and
- at least annually, evaluate the Committee Charter and recommend revisions, if any.

Effectivity

This Charter took effect upon Board approval on 25 March 2021.