

**PILIPINAS SHELL PETROLEUM CORPORATION
MINUTES OF THE SPECIAL MEETING
OF THE STOCKHOLDERS
HELD VIA SHELL OPERATED WEBCAST
ON 26 SEPTEMBER 2022**

**STOCKHOLDERS
PRESENT:**

Stockholder	No. of Shares in Remote Communication	No. of Shares by Proxy	Percentage
A&A SECURITIES FAO ANDREW YAP		307,000	0.0190%
AAA SOUTHEAST EQUITIES FAO DEZERIE JOYCE REMOTIGUE RICO		339,500	0.0210%
ABACUS SECURITIES FAO DEZERIE JOYCE REMOTIGUE RICO		51,300	0.0032%
ABILO, REYNALDO P	1	16,000	0.0010%
AGUAS, NINA PERPETUA D.	164,350	7	0.0102%
AYALA CORPORATION		98	0.0000%
BERNAL JR., SERGIO C.	4,290		0.0003%
BPI SECURITIES FAO ANGEL JOSE GARIN DE JESUS		3,100	0.0002%
BPI SECURITIES FAO MICHAEL RAMOLETE		6,290	0.0004%
BPI SECURITIES FAO PAUL JOSE DIAZ		500	0.0000%
BUENAVENTURA, CESAR A.	1	200,000	0.0124%
CITIOMNIFOR		4,763,109	0.2952%
DE GUZMAN, ARLENE C.		1,490.00	0.0001%
DEL VALLE, RANDOLPH T.	1		0.0000%
DEUTSCHE AG MANILA		1,020,020	0.0632%
DEUTSCHE AG MANILA FAO INSULAR LIFE ASSURANCE COMPANY LTD.		10,013,070	0.6206%
GAMO, MARK HADRIAN P.		3,000	0.0002%
HSBC MNL CNC NOM 22/0918 HSBC10		36,990,420	2.2926%
JIMENEZ, MARIA LUISA P.		1,490	0.0001%
LA 'O, LUIS C.	1		0.0000%
LACUARTA, VICENTE CONDEZ	1,490		0.0001%
LIM, ALBERT A.	4,290		0.0003%
LYDIA B. ECHAUZ	1	2,000	0.0001%
NICDAO, MARK BRIAN	2,200		0.0001%

Stockholder	No. of Shares in Remote Communication	No. of Shares by Proxy	Percentage
OROCIO, ERWIN C.		6,290	0.0004%
OSIAL, LORELIE Q.	1		0.0000%
SCB OBO SCBK1000000		8,506,181	0.5272%
SHELL OVERSEAS INVESTMENTS B.V.		890,860,233.00	55.2148%
SPATHODEA CAMPANULATA INC.		67,184,265.00	4.1640%
TAN, MIN YIH	1		0.0000%
TETANGCO, JR., AMANDO M.	1		0.0000%
THE INSULAR LIFE ASSURANCE COMPANY, LTD.		255,452,325.00	15.8327%
TIMSON SECURITIES FAO DEZERIE JOYCE REMOTIGUE RICO		134,400	0.0083%
ZOBEL DE AYALA, FERNANDO		1	0.0000%
Total	176,628.00	1,275,862,089.00	
Grand Total		1,276,038,717.00	79.0879%

DIRECTORS

PRESENT:

Mr. Min Yih Tan
Ms. Lorelie Q. Osial
Mr. Reynaldo P. Abilo
Mr. Cesar A. Buenaventura
Ms. Nina D. Aguas
Dr. Lydia B. Echauz
Mr. Luis C. la 'O
Mr. Randolph T. Del Valle
Mr. Amando M. Tetangco, Jr.
Mr. Stuart Chaplin

ALSO IN

ATTENDANCE:

Mr. Erwin R. Orocio, Managing Counsel and Chief Compliance Officer
Ms. Ellie Chris C. Navarra, Corporate Secretary and Legal Counsel
Mr. Mark Hadrian P. Gamo, Assistant Corporate Secretary and Legal Counsel
Mr. Sergio C. Bernal, Jr., Vice President – Corporate Relations
Mr. Paulo Angel N. Arias, Vice President – Human Resources
Mr. Kit Arvin M. Bermudez, Vice President – Vice President – Supply & Distribution
Mr. Mark Brian J. Nicdao, Corporate Audit and Assurance Manager
Ms. Angelica M. Castillo, Investor Relations Officer and Controller
Mr. Oliver Ortega, Country Security Manager
Mr. Ryan Andres, Legal Counsel

852. **Safety Briefing**

Ms. Angelica M. Castillo, Investor Relations Officer and Controller, delivered the Safety Briefing:

“In Shell, we treat safety with utmost importance as it is our license to operate. Although this is a virtual meeting, allow me to conduct a Safety Briefing. First of all, please do not drive while you are attending this virtual meeting. We will understand if you will need to drop off this webcast for any reasons. Please be mindful of your surroundings. If you are using an earpiece, please make sure that you will also be able to hear any alarms and can continue to be conscious of any potential hazards around you. Kindly take note of the nearest exit in case of emergency. In case of an earthquake, do not panic and remember the rules: Duck, cover and hold. Once clear, proceed to the nearest exit. Do not forget to have a ready list of the emergency numbers in your areas.

On a more domestic front for those of you at home, please ensure that young children are safe and properly supervised. You may also want to ensure that gas stoves and ranges have been shut off, in case you left something cooking.

In closing, I am pleased to advise that we will be posting a recording of this meeting in our website as required by the Philippine Securities and Exchange Commission. You may email in your questions and concerns over the next two (2) weeks.”

853. **National Anthem**

Atty. Ellie Chris Navarra requested the participants to stand up for the Philippine National Anthem.

Afterwards, the attendees in the call were asked to take their seats.

854. **Call to Order**

The Corporate Secretary turned over floor to the Chairman of the Board, Mr. Min Yih Tan. Mr. Tan is concurrently the Senior Vice President - Global Mobility Network of Shell. He is a key member of the Shell Global Mobility Leadership Team and leads its Global Network Leadership Team.

The Chairman of the Board called the meeting to order and invited the Corporate Secretary to introduce the Members of the Board of Directors and the Committee Chairmanship/ Memberships.

855. **Introduction of the Members of the Board of Directors & Committee Chairmanship/Memberships**

The Corporate Secretary acknowledged the following directors:

NAME	POSITION	COMMITTEE
Min Yin Tan	Non-Executive Chairman of the Board	Member – Sustainability Committee
Lorelie Q. Osial	Executive Director/ President & Chief Executive Officer	Chairperson – Nomination Committee
Cesar A. Buenaventura	Independent Director	Chairman - Board Audit and Risk Oversight Committee, Member – Corporate Governance Committee Member – Related Party Transactions Committee Member - Nomination Committee
Dr. Lydia B. Echauz	Independent Director	Chairperson – Related Party Transaction Committee Member - Board Audit and Risk Oversight Committee Member – Corporate Governance Committee
Fernando Zobel de Ayala	Independent Director	Chairman- Corporate Governance Committee
Amando M. Tetangco, Jr.	Independent Director	Member - Board Audit and Risk Oversight Committee Member – Sustainability Committee
Nina D. Aguas	Non-Executive Director	Member – Related Party Transactions Committee
Luis C. la ‘O	Non-Executive Director	Chairman – Sustainability Committee Member – Related Party Transactions Committee

NAME	POSITION	COMMITTEE
		Member – Board Audit and Risk Oversight Committee
Reynaldo P. Abilo	Executive Director/ Treasurer/ VP- Finance/ Chief Risk Officer	
Randolph T. Del Valle	Outgoing New Executive Director/ VP-Mobility	
Stuart Chaplin	New Non-Executive Director	Member- Board Audit and Risk Oversight Committee Member – Sustainability Committee

Also present were senior members of Management and external auditors of the Corporation, SyCip Gorres Velayo & Co. (“SGV”), a member firm of Ernst & Young Global Limited.

856. **Certification of Notice of Meeting and Quorum**

The Chairman of the Board inquired whether the stockholders had been duly notified of the Special Meeting. The Corporate Secretary declared that in accordance with the By-laws of the Corporation and applicable rules and regulations, the written notice of the date, place, purpose and details as well as materials of the meeting were published through alternative modes of distribution through the website of the Corporation, Philippine Stock Exchange and newspapers of general circulation. The stockholders of record as of the record date on 31 August 2022 were entitled to the notice.

Accordingly, the Corporate Secretary certified to the service of Notices of the Stockholders' Meeting.

The Chairman of the Board thereafter inquired if a quorum was present.

The Corporate Secretary certified to the presence of a quorum. In attendance, via remote communication, *in absentia*, and by proxy, were stockholders owning 1,276,038,717 shares representing 79.0879% of the total issued and outstanding shares.

857. **Voting Procedure**

The Chairman of the Board invited the Corporate Secretary to discuss the voting procedure. The Corporate Secretary shared that details on the voting procedure were previously circulated to the stockholders as Items 19 and 20 and Annex B of the Definitive Information Statement.

Only those shareholders who voted by proxy, *in absentia* or remote communication will be included in determining the existence of a quorum. All matters subject to vote, except in cases where the law provides otherwise, shall be decided by the vote of a majority of the outstanding capital stock, provided a quorum is present.

Total votes received of from shareholders owning 1,275,805,952 shares accounting for 79.0734% of the outstanding shares, were validated and counted by RCBC Stock and Transfer Agent.

The final counting of all votes cast was undertaken by RCBC Stock & Transfer Agent.

858. **Approval of Minutes of the Previous Meeting**

The Chairman of the Board informed the stockholders that the next item in the agenda was the approval of the minutes of the previous meeting. Copies of the Minutes of the Annual Meeting of the Stockholders held on 06 May 2022 were distributed through alternative modes to the stockholders together with the Notices, and an electronic copy was made available on the website of the Corporation.

Based on the final voting tabulation, stockholders owning 1,275,805,952 shares and representing 79.0734% of the outstanding capital stock of the Corporation, voted for the resolution:

“RESOLVED, that the Minutes of the Annual Meeting of the Stockholders held on 06 May 2022 be, as it is hereby, approved.”

No shareholder (or 0.00%) voted against or had abstained from the decision to approval.

The Chairman of the Board declared that since the stockholders owning majority of the total outstanding shares voted for the motion, the same was carried and the minutes deemed read and approved.

859. **Approval of Certain Acts of the Board, Board Committees and Management**

a. **Change in Corporate Name from “Pilipinas Shell Petroleum Corporation” to “Shell Pilipinas Corporation”**

The Chairman of the Board informed the stockholders that the next item in the agenda was the proposal to change the Corporate Name from “Pilipinas Shell Petroleum Corporation” to “Shell Pilipinas Corporation”. He called on the President and CEO to present the proposal.

The President and CEO presented the proposal:

“Thank you, Mr. Chairman. Pilipinas Shell Petroleum Corporation will be Shell Pilipinas Corporation. This signifies SHLPH’s readiness to meet the mobility and energy challenge in the Philippines. This change represents a broader future-forward approach, transcending oil and petroleum. It is anchored on our goal of empowering Filipinos towards a sustainable and cleaner energy solutions for the company, the people, the communities, and the environment.

For more than a century, we have been serving our customers by going beyond offering high-quality products to them. We have helped our customers increase their operational efficiencies by providing them with technical services, boosted by a wide range of solutions, such as the country's first Carbon Offset Service, to help them in their net-zero emissions journey. We have started offering low carbon Lubricants products, for example, and Bitumen FreshAir designed to reduce the impact of road paving on local air quality.

We are investing in innovative, sustainable solutions such as electric vehicle charging stations and solar energy panels to power our facilities including over 100 Shell Mobility stations and import terminal. These go towards fulfilling Shell’s global commitment to become a net zero emissions energy company by 2050 – at pace with society as an energy user, an energy provider, and partner for change. We are also prepared to bring our global technological expertise to the Philippines should the market need arise.

As we continuously adapt to the ever-changing customer needs, our corporate identity will adapt as well. We are on the cusp of a revolution in energy, and we remain steadfast in our commitment to Powering Progress for the Filipinos now and in the years to come.

We will be Shell Pilipinas Corporation, ready for an evolving future.”

Based on the final voting tabulation, stockholders owning 1,275,805,952 shares and representing 79.073% of the outstanding capital stock of the Corporation, voted in favor of the proposal to change the Corporate Name from “Pilipinas Shell Petroleum Corporation” to “Shell Pilipinas Corporation”:

“RESOLVED, that subject to the reservation of the corporate name and approval by the Securities and Exchange Commission, that the corporate name of the Corporation be amended, thereby amending the First Article of the Corporation’s Articles of Incorporation and the corporate name in its By-Laws:

Articles of Incorporation:

FIRST: That the name of the said corporation shall be

SHELL PILIPINAS ~~SHELL~~ PETROLEUM CORPORATION

By laws:

SHELL PILIPINAS ~~SHELL~~ PETROLEUM CORPORATION

As amended September 26, 2022

(Formerly: a. Shell Refining Company (Philippines), Inc. as
incorporated January 9, 1959

b. Shell Philippines, Incorporated as amended August 18, 1970

c. Pilipinas Shell Petroleum Corporation as amended March 20,
1973)”

The Chairman of the Board declared that since the stockholders owning at least two-thirds (2/3) of the total outstanding shares voted in favor, the proposal to change the Corporate Name from “Pilipinas Shell Petroleum Corporation” to “Shell Pilipinas Corporation” was approved.

b. New Secondary Purpose to allow retail trade

The Chairman of the Board informed the stockholders that the next item in the agenda was the proposal to add a new Secondary Purpose to allow the Corporation to engage in retail trade. He called on the Vice President – Mobility to present the proposal.

The Vice President – Mobility presented the proposal:

“SHLPH’s Mobility business is making a strategic choice to grow the Non Fuels Retail (NFR) Business segment with aspiration to double the business by 2025. The NFR has a key role to realize Mobility’s customer proposition and vision for our sites to be the preferred place for customers to take care of themselves and their vehicles where NFR is seen to significantly contribute to the Company’s earnings.

The passing of RA 11595 (amending RA 8762 of Retail Trade Liberalization Act of 2000) paves way for SHLPH to directly and efficiently engage in retail trade.

To further accelerate the growth of Convenience Retailing (CR), it is proposed for the Company to engage in direct retailing of goods and services as part of its move towards a Mobility Business Agreement (MBA) operating model with retailers.

While the implementation of the new CR operating model is still being developed, this change is projected to deliver

substantial growth in the CR business through more consistent offers and effective 4Ps /CVP management across the network, full margin capture, and more focused CR sales and operations organization.

The move for stock ownership in CR and its pilot program is targeted by Q3 2023, for the team to get learning prior to a wider rollout in following years.

This proposal is subject to the approval of the Securities and Exchange Commission (SEC).”

Based on the final voting tabulation, stockholders owning 1,275,805,952 shares and representing 79.073% of the outstanding capital stock of the Corporation, voted in favor of the proposal to add a new Secondary Purpose to allow the Corporation to engage in retail trade:

“**RESOLVED**, that the Articles of Incorporation be amended to change the Second Article of the Articles of Incorporation of the Corporation:

x x x

SECOND: That the purposes for which such corporation is formed are:

Primary Purpose

x x x

Secondary Purpose

(b) To carry on business or petroleum refining in all its branches.

(c) To the extent permitted by law, to buy, trade, exchange, distribute and sell at wholesale and/or retail, all kinds, types, and classes of goods, wares, merchandise, products, and other articles of trade, whether tangible or intangible, including, but not limited to, dry goods, food, foodstuffs, food products, beverages, electrical supplies, office equipment, rubber and synthetic products, hydrocarbon products, chemical, and chemical products, and credits or certificates.

(d) To purchase, build, acquire, charter, own and operate ships and vessels of all kinds, for the corporation’s own use.

(e) To the extent permitted by law, to acquire by purchase, lease or otherwise and to hold all such property, whether real or personal, as may be necessary for the purposes of the said corporation; and to make such contracts and enter into such agreements as may be incidental to the objects of the corporation.

(f) To the extent permitted by law, to acquire any company or companies for the purpose of acquiring all or any of

the property, rights or liabilities of the said corporation or for any purpose which may seem directly or indirectly calculated to benefit the said corporation.

(g) To the extent permitted by laws, to invest and deal with the monies of the said corporation not immediately required in such manner as the said corporation shall from time to time determine.

(h) To borrow, raise or secure the payment of money in such manner as the said corporation shall from time to time think fit.

(i) To purchase, create, generate, hold or otherwise acquire electric current and electric power of every kind, description and source, and to sell, market, supply or otherwise dispose of at wholesale/retail, insofar as may be permitted by law, light, heat and power of every kind, description and source.

(j) Generally, to do all such other things and transact all such business as may be, directly or indirectly or conducive to the attainment of the above objects or any of them.”

The Chairman of the Board declared that since the stockholders owning at least two-thirds (2/3) of the total outstanding shares voted in favor, the proposal to add a new Secondary Purpose to allow the Corporation to engage in retail trade is approved.

860. **Question and Answer**

The Chairman of the Board opened the floor for questions from the stockholders. Atty. Erwin Orocio, Chief Compliance Officer and Managing Counsel, and Ms. Angelica Castillo, Corporate Controller and Investor Relations Manager, facilitated the question-and-answer portion based on the questions received through email and live Q&A platform.

First question: SHLPH’s shares picked up slightly upon your announcement of Php 1 per share dividend. It is clear that shareholders and potential shareholders value its investments based on return. Do you have any other plans on how to make your share price move up and sustain it?

Mr. Abilo responded as follows:

“Thank you very much, Atty. Erwin for the question. Firstly, I am pleased with the positive reaction of the investing community with regards to the reinstatement of our dividends this quarter. Rest assured that the delivering of superior value and rewarding our shareholders remains to be a priority of the Management. Therefore, aside from the dividend pay-out that we did in Q3, the Board has also approved the increase in our dividend pay-out frequency from annual to semi-annual, effective next year or 2023. We hope that this will enable increase

in the stock liquidity, and will also provide us with a favored valuation of our stock, as it gets traded in the market.

Having said that, the Company and the Management in particular will also continue to deliver on our five-year strategy that we have launched last year. This means that Pilipinas Shell will continue capturing and meeting the growing energy needs of the country, as well as the evolving mobility requirements. We will do this through our world-class innovative offerings, which will then translate to higher earnings delivery for the Company, and ultimately higher dividends to our shareholders as well.

Lastly, we will continuously be strengthening our investor relations program, so that we will be able to communicate on a timely manner effectively, and transparently as well our performance and our strategies to both our local and international investors. Thank you very much.”

Second question: Related to the earlier question, you said the Php 1 per share dividend pertains to 1st half of 2022 result of operations. Now we can see that the prices of fuels are at all-time high, and I am sure you made a lot of money as evidenced by your 1st half 7.8 billion Net Income After Tax, why are you giving only PhP1 per share of dividend?

Mr. Abilo responded as follows:

“Thank you very much, Angel. Now I would like to start by clarifying that the PhP1 dividend per share that we declared and paid in Q3 of this year actually pertains to the full year 2021 performance of the Company, and the Management believes that the PhP1 dividend which translates to an industry leading dividend yield of about 5.6% is already a reasonable level, whilst maintaining our approach of being prudent, being disciplined, and also keeping the Company resilient amidst the continuing external challenges that we see and observe.

Now moving on to our performance in the first time of the year, it is indeed a reflection of the kind of macroeconomic environment that we have operated in. Of the PhP7.8 billion of earnings that we have reported about PhP6.4 billion relates to inventing holding gains, which is a function of increasing product prices in the market that we saw in the first half. The remaining PhP1.4 billion pertains to our core earnings delivery.

Looking at where we are at present, the macroeconomic challenges, both at the global and domestic front, are still very much in place, most especially with the global supply concerns coming from the ongoing Russia-Ukraine War.

In the last two months, for example, we have seen part of prices decreasing, which means PhP6.4 billion of inventory holding gains that we have imported in the first half may potentially be reversed in the second half of the year as a result. In addition, we have also seen record high inflation in the country as well as PhP depreciating, which is now at about PhP59 to a dollar.

So by and large, the volatilities are still there, and the Company remains very much focused at improving our core earnings delivery. But at the same time, it is very important that we strengthen our balance sheet moving. Thank you very much.”

Third question: What is the status of your Mobility site investment? 1,500 Mobility sites by 2025? You have been declaring 1,100 sites five years ago up to now it is still 1,100 sites, what is the real number, what is going on?

Mr. Del Valle responded as follows:

“Thank you very much, Atty. Erwin. Currently, we have 1,120 Mobility stations nationwide as of 2Q 22. Please note that as we are growing, there are also site disposals that are happening. These are the sites that we decided to close where we don’t get our desired return on profitability as part of portfolio review. We continue to do that balance that is why we have a very strong network of portfolio that are profitable and desirable to customers.

We are confident to deliver 40-60 per annum site openings per year until the year 2025.”

Fourth question: This is a question you are proud of from the inorganic growth in Mobility. What is the latest with your partnership with Northern Star? What’s the total number of sites gained from the partnership? Is there any update on the transformation and the number of sites already rebranded?

Mr. Del Valle responded as follows:

“Thank you very much, Angel. Currently, we have rebranded almost 10 sites in Northern Luzon together with Northern Star and we continue to transform more sites as we speak. Northern Star is a long-standing business partner of Pilipinas Shell. Their mobility/retail network is primarily focused in Northern Luzon – area where Pilipinas Shell has relatively small presence. With this partnership, Pilipinas Shell will be able to reach more customers and support the increasing travel and economic activity as people go back to travelling to Baguio City, Sagada, Banaue, La Union, Pagudpud and other tourist spots in the region, even the local trade growing in Northern Luzon.

These provinces are also one of the key large transport areas in the country.

As we've mentioned before, this partnership adds no less than around 100 sites to Pilipinas Shell's nationwide portfolio throughout the years. This is a partnership that will last for years. We are also partnering with them, and we anticipate more sites to build with them in strategic locations where we wanted to grow within the Philippines and add new additional sites from this partnership. So yes, I'm quite excited about this this one."

Fifth question: Related to the growth of the Company, particularly in Mobility, will dividends be done regularly now?

Mr. Abilo responded as follows:

"Thank you, Angel. Let me respond to that by saying that the Management of the Company remains very committed to our Dividend Policy, which is to distribute at least 75% of our net income to our shareholders. Therefore, barring any significant changes to our external environment, we are hopeful that with the increasing economic activity in the country, and also with the good trajectory and the momentum that we have performed in the first half of the year, we are hopeful that we should be regularly paying dividend to our shareholders moving forward."

The Chairman of the Board added:

"We are also cautiously optimistic about paying dividends on a twice a year basis going forward from next year. This is a commitment that we hope to fulfil barring unforeseen circumstances."

Sixth question: Why did you put your EV charging station in Mamplasan? Since the day it was installed, how many have used it?

Mr. Del Valle responded as follows:

"Thank you very much, Atty. Erwin. This is a very exciting milestone that we actually have when we launch our first Shell recharge. It was an ultra-fast charger at 180 kWh. I think it is one of the fastest if not the fastest charger in the country that can actually discharge a full EV by only around 25 minutes. We are very proud of that one.

When we launched EV, we recognized in Pilipinas Shell recognizes that the top barriers for EV adoption are 'range anxiety' and convenience. We believe that our pioneering station in Shell Mamplasan SLEX is a strategic location and a good

market test location to better learn about EV driving. It is located just outside Metro Manila along the motor way, at one of our biggest Mobility stations in the country. There are various offers wherein you can charge for 25 minutes and there are offers for you and your family when you charge there such as eat in Shell Select, McDonald's and Starbucks. It is a very important location. As we learn about the EV consumer behaviour, in this pioneer location, we aim to give electric vehicle drivers the confidence to support their EV journey especially they are going in and out to see the reliability, accessibility, and hassle-free charging to meet the demands of an EV customer, which is different from the typical ICE vehicle that we have now. It is a very important location. But while it is a very important location, this is not just the one EV charging that we are building. We will actually be building in strategic locations to make sure that this are very important to what we have right now.

In terms of the customers, we are quite very happy that there are some EV customers who tried it out because it is the fastest charger in the country. We do have a lot of EV consumers that go there. Some of them are located nearby. I even attended one EV association in the Philippines in there, so there are a lot of excitement. There are a lot of learning as well, and we continue to learn from this and evolve as we develop more and build more recharge in the country.”

Seventh question: Overall, how many do you plan to put up this year in terms of EV and next year? Are you getting a green energy for those EV charging points? And why European brand cars only? A lot of Koreans and Japanese EV cars are also coming in the country.

The Chairman of the Board responded as follows:

“The fact that we are going to tackle energy transition head on, and as many as the location permits, we want to have this drive towards more EV chargers across the country. Now, of course, the key here is about the demographics in the country and in the location. One of the things that we also have to contend with in the short term is compatibility, and that is why you will notice that we are moving towards all CCS2 connector because it is going to be directionally more popular. It starts with the European class, and ideally, and probably it will transition towards the Japanese makers. That to me is short-term in nature. But we want to not just provide the conventional fuse to our motorists, but also to provide electricity to our EV customers, as and when it is possible. Directionally, we want to increase the number as much as we can.”

Eighth question: Are you hitting, or are we hitting our five-year strategy KPIs?

The President and CEO responded as follows:

“Thank you, Atty. Erwin. We are progressing with our five-year plan. This has given us positive first half 2022 results so far. We ended the first half of 2022 with a net income of PhP7.8 billion and this has enabled us to resume our dividend paying position after the two-year pandemic. The dividends that we declared also allowed us to deliver an industry leading pay-out as mentioned by our CFO of around 5.6% dividend yield. Our industry leading ROACE further improves to 30%, and this is a turnaround from last year's 14% and almost double of that of the pre-pandemic ROACE in 2019, which was around 16%. Gearing is at 42%, an improvement from the last quarter's 45%, and the lowest in the oil and gas industry and also something that we continue to monitor and manage. We remain to be the second biggest market player in the industry, and consistently as the most preferred brand across key segments. We are on track to deliver our 40 to 60 new Mobility sites by the end of the year for 2022. We recently announced and broke ground in our fourth import terminal located in Davao in South Mindanao. This is to support the growth that we are seeing in the country. We are also continuing to look on low carbon solutions and we play a key role in the energy transition of the country.”

Ninth question: What is the significance of your change in corporate name, and why do it at this time?

The President and CEO responded as follows:

“The world is evolving and to a certain extent transforming as well, so is Shell in the Philippines. We have been here for 108 years, and we have been offering our customers high-quality products and services. We have always been on the lookout and listening to the energy needs of our customers and offering innovative solutions.

Right now, as I mentioned earlier, we are on the cusp of a revolution in energy. With this, we also looked at what we offer as an energy company, one in terms of a reduction in our net zero emissions in terms of our own use and also looking at the offerings that we have. We named a few here. We launched the first of a series of EV charging stations with Shell Recharge, we also offered carbon offset offerings for our Fleet customers and B2C driver customers as well. In recent years, we are operating our own assets using lower carbon energy solutions. If you look at the Tabangao terminal, it is running on 100% renewable energy and a sizable footprint (more than 100) of our Mobility stations nationwide are now solar. I mentioned as well about our

low carbon offerings in the Lubricants space and also in the construction and road or the Bitumen space with Bitumen *Fresh Air*.

We are working with our customers and with society on how to avoid, how to reduce, and how to compensate on their net zero carbon emissions. As a global company, we are prepared to bring our global technology expertise on other offerings and solutions as needed or should the market need arise.

As we continue to adapt to changing customer and stakeholder needs, we are looking at meeting the needs of our customers now and for the future so must our corporate name. Moving forward, we will be SHELL PILIPINAS CORPORATION, ready to meet the energy challenges and embrace opportunities in decades to come.”

Tenth question: A question about the change in articles of incorporation. What does the amendment of the Secondary Purpose of the Articles of Incorporation ‘broadened to include retail trade’ mean? When will this take effect?

Mr. Del Valle responded as follows:

“Thank you very much, Angel. As what I mentioned, really growing and evolving our business and one of these elements is NFR. To further accelerate the growth of Convenience Retailing (CR), we are exploring direct retailing of goods and services with the passing of RA 11595 (amending RA 8762 of Retail Trade Liberalization Act of 2000). This means that we will now own and manage the inventories that we carry in our Shell Select and Select Express stores.

This is very important as we need to make sure that we continue to serve the needs of our customers. We are present in a number of companies on sites. We continue to expand more Select offers, and we need to make sure that the offers are consistent across the sites to cater to the needs of our customers. This will mean that we will have more sites that will have consistent CVPs and having product and offer availability with the right promotions for the entire network, thus maximizing the offers for our customers, therefore, maximizing the profitability of our retailers, and profitability of our company on site. As I mentioned before, this is an exploratory element where we plan to pilot this in Q3 2023. There will be a lot of learnings from what we are doing to make sure that as we learn, we will be expanding it to more sites and roll it out to more sites during that process.”

Eleventh question: How much will this renaming exercise cost? Shell is still connected to petroleum.

Mr. Abilo responded as follows:

“Thank you very much, Atty. Erwin. Well, at this point in time, we don't think that the change in the name of Pilipinas Shell will entail a material cost for the company and that, looking into the wider benefits and the wider impact of the change in the name, it far outweighs the administrative cost of changing the name in particular, in getting the unnecessary approval from regulatory bodies.”

Twelfth question: Can we expect the same dividend pay-outs like we had in 2019?

Mr. Abilo responded as follows:

“Thank you for the question. Let me answer that by saying that the Company remains very focused and committed in delivering a compelling investment case for shareholders. Now, unfortunately, I cannot provide a categorical answer as to whether we'll be able to provide the same level of dividends that we used to have in 2019. As we know, declaring dividends would require three important elements. One is that we have available unrestricted retained earnings which we are trying to address in making sure that we constantly deliver earnings per quarter by delivering on our five-year strategy, which we have seen is this working well for the benefit of the Company.

Second is that we should have available cash to pay for dividends, and that is why the Management has been working very hard to make sure that we preserve value, we have a cash governance in place to make sure that we make smart choices with regards to investment decisions, with regards to working capital, etc. All these initiatives would help us to deliver a compelling investment piece for our shareholders. Now the key thing that we have to consider, which I believe Chairman Tan mentioned a while ago is the ongoing volatilities that we experience in the external environment. As much as we are hopeful, we are also being very cautious about the how these things will pan out eventually. Rest assured that the Management of the Company will remain to be very prudent and disciplined in making these choices for decisions, to ensure a long term sustainability and profitability of your Company.”

Thirteenth question: What are the exciting things we can expect about your Company moving forward?

The President and CEO responded as follows:

“Thank you for that question. I think I’ll start from some of the basics first. The volatility right now is a concern for everyone. While the prices are determined by market forces from a supply perspective, your Company is continuing to work hard to make sure that we have reliability of supply for the country at competitive prices subject to market forces. From a strategy perspective, we are continuing to pursue our strategy, making sure that we will maintain strong fundamentals and we pursue that and we do so in a disciplined manner. We are continuing to look at how we can generate and improve value for our shareholders, and we have been consistency doing that and in every time we've had a stakeholders’ engagement, we have been sharing with you the efforts that we have been doing in that space. We will continue to do so as earlier shared by our Chairman and CFO.

We will play a key role in terms of how society is evolving, and in doing so, be a key role in terms of energy transition. With that you basically seen a number of the new partners that we've partnered, strengthening our existing partnerships, but moving into new ones as well. You've seen our partnership with Philippine Airlines Mabuhay Miles on the conversion of points from our Go+ app to Mabuhay Miles. At the same time, we have partnered with Makati Business Club to look at how we can work together on policies and infrastructure on bikers so not just your motorists. On that, we are extending our offers to include not just motorists but passengers as well.

We are looking at how the world is changing. We recognize that we are also, and we are still in the early phase but we are managing current demands, but then also starting to build up solutions for the future, making it ready for when our customers are also ready to make changes and to make choices as well. We are helping to enable those choices. We will continue to do that with our offerings in the electric vehicle space in a non-fuels retailing space, and in the other innovation and solutions that we have on our products and services. Along the way, working with society as well, and working with industries on how to start or how to continue the decarbonization journey of the country. It is an exciting space. It is an exciting time to be in the energy company, and we will leverage in our global expertise and bring solutions to the country as the market needs to rise. Thank you so much for being here and for the questions.”

The Chairman of the Board asked if there were any more questions. Ms. Castillo confirmed that all questions received via email and the live Q&A platform. The Q&A session was closed.

861. **Adjournment**

There being no further business to transact, the meeting was adjourned.

Prepared by:

ELLIE CHRIS C. NAVARRA
Corporate Secretary

Attested By:

MIN YIH TAN
Chairman of the Board