



PILIPINAS SHELL STRATEGY 2021-2025

#MakeTheFuture

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This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of SHLPH.

All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of SHLPH to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “goals”, “intend”, “may”, “objectives”, “outlook”, “plan”, “probably”, “project”, “risks”, “schedule”, “seek”, “should”, “target”, “will” and similar terms and phrases. There are a number of factors that could affect the future operations of SHLPH and could cause those results to differ materially from those expressed in the forward-looking statements included in this presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell’s products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this presentation are expressly qualified in their entirety by the disclaimer contained or referred to herein. Audience should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in SHLPH Annual Report for the year ended 31 December 2020 (available at <http://pilipinas.shell.com.ph/investors/financial-reports.html> and <http://edge.pse.com.ph>). These risk factors also expressly qualify all forward-looking statements contained in this presentation and should be considered by the audience. Each forward-looking statement speaks only as of the date of this Report. Neither SHLPH nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation.

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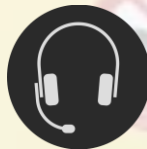
Know the name of the building, room and floor number



Location of nearest fire alarm, fire extinguisher, emergency exits and muster points



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1

FY2020 RESULTS

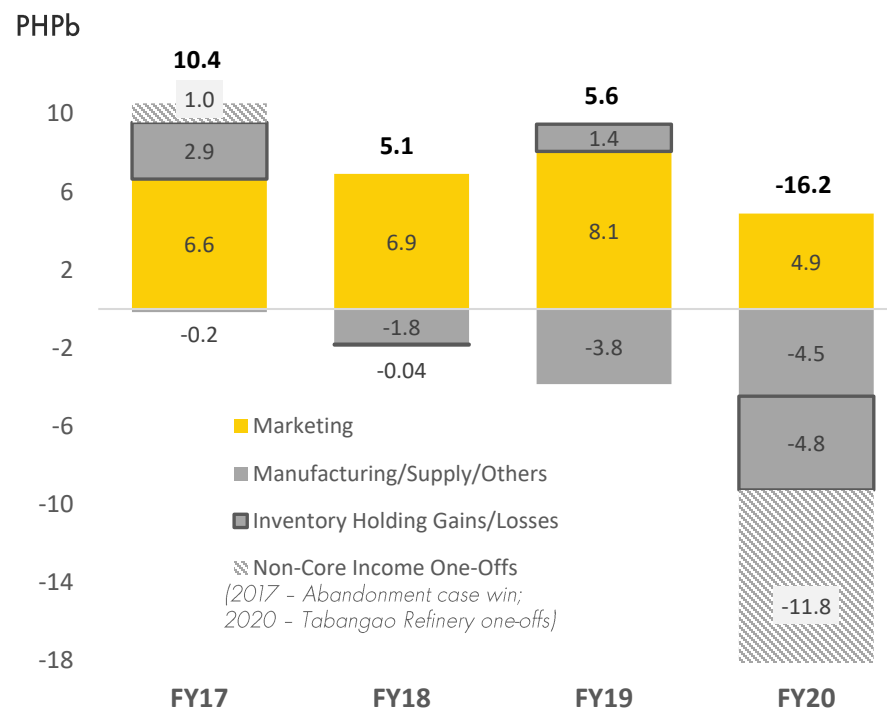
FINANCIAL PERFORMANCE & POSITION



Financial highlights

- PHP0.4b core net income up from Q3's net loss of PHP0.7b
- PHP16.2b net loss driven by refinery one-off charges (PHP11.8b) & inventory losses (PHP4.8b)

Financial performance



Core Income defined as Net Income after Tax less inventory gains/losses & Refinery one-offs after tax.

0.4

Core Income (PHPb)

Excluding one-off items & inventory losses

(16.2)

Net loss (PHPb)

5.1

Total volume (Bn litres)

5.9

Cash flow from operations (PHPb)

(40)

ROACE (%)

ROACE using core earnings at 6%

41^a

Gearing (%)

(4.3)

Retained Earnings (PHPb)

Unappropriated

^a Increase in gearing driven by lower equity arising from the recognition of one-off items of the refinery operations cessation
 Core earnings defined as net loss excluding post-tax inventory losses and one-off charges (e.g. refinery impairment, D&R provisions).

Philippine Quarantine Timeline and Impact on PSPC Volume Delivery

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	4Q20	
METRO MANILA and LUZON *HUCs	Pre-Enhanced Community Quarantine (ECQ)		ECQ		Mod. ECQ	General Community Quarantine (GCQ)		Mod. ECQ	General Community Quarantine (GCQ)		
MAJOR VISMIN CITIES/ PROV	Pre-Enhanced Community Quarantine		ECQ		Modified/GCQ (discretion left with LGUs)		Mod. ECQ	Modified GCQ			
CEBU CITY	Pre-Enhanced Community Quarantine		ECQ		GC Q	ECQ	Mod. ECQ	Modified/GCQ			
PSPC VOLUMES vs PY		Jan 1-1H Mar	2H Mar	Apr	May	Jun	Jul	Aug	Sept	4Q20	FY20
	Retail	Flat	-55%	-66%	-45%	-29%	-26%	-37%	-19%	-22%	-27%
	Commercial	+16%	+20%	-33%	-7%	-19%	-10%	+2%	-2%	-8%	-5%
	Aviation	+16%	-57%	-83%	-78%	-80%	-80%	-78%	-74%	-70%	-59%
	Lubricants	+7%	-55%	-65%	-65%	-34%	-21%	-16%	-8%	-18%	-26%
	Specialities	+16%	-87%	-91%	-88%	-77%	-87%	-73%	+25%	-70%	-63%
	Total Marketing	+6%	-34%	-58%	-36%	-30%	-26%	-28%	-17%	-22%	-23%
	Total PSPC	-1%		-22%	-26%	-18%	-28%	-31%	-12%	-9%	-13%

Note: HUC = Highly Urbanized Cities (e.g. Laguna, Pangasinan, etc.). Major cities/provinces in the Visayas and Mindanao regions include Iloilo province, Aklan province, Cebu province; Davao City, etc. Under the Enhanced Community Quarantine (ECQ), malls and public establishments were closed, public transport via land, sea and air suspended, mass gatherings prohibited, and people were only allowed to leave their homes to access basic necessities. ECQ excludes essential industries: (a) basic utilities and critical services (e.g., oil and gas, water, electricity, internet, telecomms); (b) production, processing and distribution of basic necessities (e.g., food, pharmacies, banks).

Sources: PH Inter-Agency Task Force Guidelines; <https://www.officialgazette.gov.ph/> <https://www.cebucity.gov.ph/executive-order-no-082-a/>

Quarantine restrictions

- Not Allowed ● Allowed with safety protocols
- Allowed but with high restrictions

RETAIL

Public	ECQ	MECQ	GCQ
Bus	●	●	●
Jeepney	●	●	●
Transport network	●	●	●
Public shuttle	●	●	●
Private	ECQ	MECQ	GCQ
Company Shuttle	●	●	●
Personal Vehicle	●	●	●

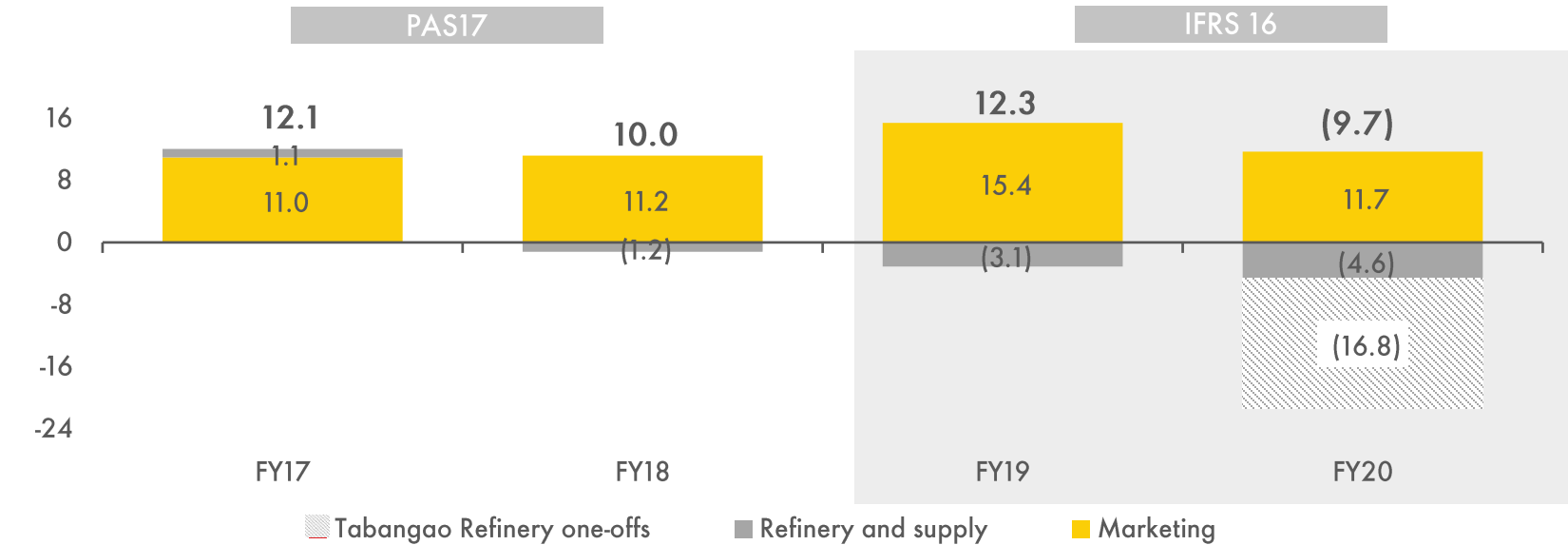
COMMERCIAL

Sector	ECQ	MECQ	GCQ
Entertainment/Recre	●	●	●
Tourism	●	●	●
Construction	●	~BBB only	●
Logistics Services	~Essential only	~Essential + 50% workforce	●
Manufacturing	~Essential only	~Essential + 50% workforce	●
Utilities	●	●	●
Energy	●	●	●
Mining/ Quarrying	●	●	●
Cement/Steel	●	●	●

*BBB = PH Government's Build Build Build Program

Marketing EBITDA adj for COSA declines due to drastic decline in demand

FY20 EBITDA Adjusted for COSA stands at –PHP9.7b (IFRS 16)



Note: Segmented figures are based on internal estimates. Using PFRS 16, EBITDA Adjusted for COSA for FY19 stands at PHP11.4 billion. Cost of Sales Adjustment (COSA) approximates the inventory gains/losses incurred by the company due to crude and oil price fluctuations. Using the first in first out method of accounting, cost of goods sold reflect costs 30 days earlier while revenues reflect current prices. The timing difference creates a significant impact on cost of sales. As a general rule, an increase in crude prices will create an inventory gain while a drop in crude prices will lead to an inventory loss. COSA is removed to reflect the underlying performance of the business. This methodology calculates the cost of goods sold as the monthly average of goods purchased and is consistent with the basis of reporting used by other oil refining groups.

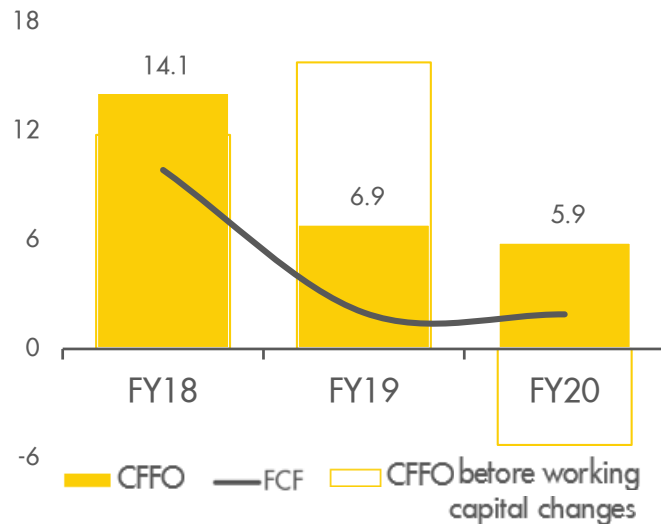
Marketing	<ul style="list-style-type: none"> Marketing volume up 3% Premium fuel penetration 	<ul style="list-style-type: none"> Premium fuel penetration Marketing volume down 4% due to power sector demand decline, TRAIN, high inflation 	<ul style="list-style-type: none"> Marketing volume up 4% Premium fuel penetration 	<ul style="list-style-type: none"> Premium fuel penetration PHP3.9b OPEX & CAPEX savings Demand decline due to COVID-19 lockdowns (down 23% vs PY)
	<ul style="list-style-type: none"> Refining margins up 69% Wins abandonment case Two-month refinery turnaround 	<ul style="list-style-type: none"> Refining margins down 81% One-month refinery pitstop 	<ul style="list-style-type: none"> Refinery cost savings One-month refinery pitstop. IMO2020 and hydrogen facility site preparation Refining margins down 687% 	<ul style="list-style-type: none"> Refinery one-off costs Drastic decline in crude prices Refining margins depressed most of the year

Balance sheet remained resilient despite the pandemic

Cash conservation efforts brought cash flow to positive territory

Cash flow from operations (YoY)

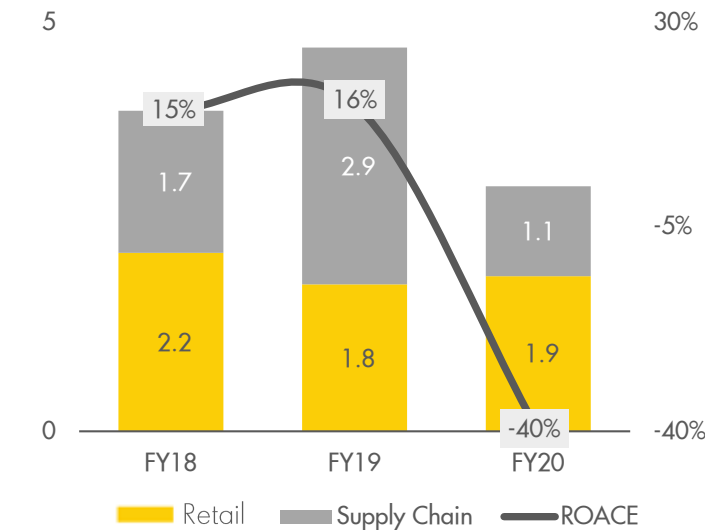
PHPb



Cash delivered through marketing's adaptive bounce back strategies & sharp conservation efforts; sufficient to cover capital expenditure

Capital Investments + Rolling ROACE

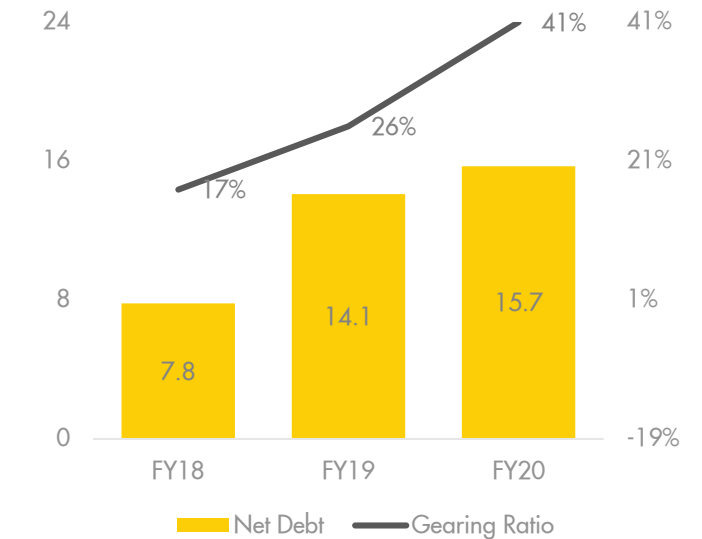
PHPb



Delivered ~PHP3.1b CAPEX to grow retail footprint (60%) and strengthen supply chain (40%). ROACE using core earnings at 6%

Net debt + Gearing

PHPb



Net debt increased to bridge working capital requirements during the pandemic. Gearing ratio up due to recognition of refinery one-off items.

Notes: Return on average capital employed is defined as EBIT as a percentage of the average capital employed for the period. Capital employed consists of short-term borrowings and loans payable, and total equity. Average capital is calculated as the mean of the opening and closing balances of capital employed for that period. Net earnings based on net income after tax. Gearing ratio is defined as net debt (total debt less cash and cash equivalents) as a percentage of total capital (net debt plus total equity). It is a measure of the degree to which our operations are financed by debt.



2

2021-22

EXPECTATIONS



2021-22: RESET & REFOCUS PILIPINAS SHELL



Volumes in line w/ PH's economic growth

- Fuels back to pre-COVID levels by 2022^a
- Aviation back to pre-COVID levels by 2024

^a"PH government to inoculate 70M by year-end"

– Sec. Carlito Galves Jr., vaccine czar & National Task Force against COVID-19



More ratable financial results

- Remove variability from inventory gains/losses (+PHP4.2b to -6.8b) & refining margins (+PHP5.5b to -5.7b)
- Leverage CREATE bill benefits^b

^bLower CIT & NOLCO



Enhanced financial resilience

- CFFO to fund CAPEX & dividends
- Debt back to pre-COVID level by 2022



Dividend payout remains a priority

- Retained Earnings back to healthy positive levels
- Identify schemes to reward shareholders



3

2021 – 2025

PILIPINAS SHELL STRATEGY





PILIPINAS SHELL PETROLEUM CORPORATION

Powering Progress for the Filipinos

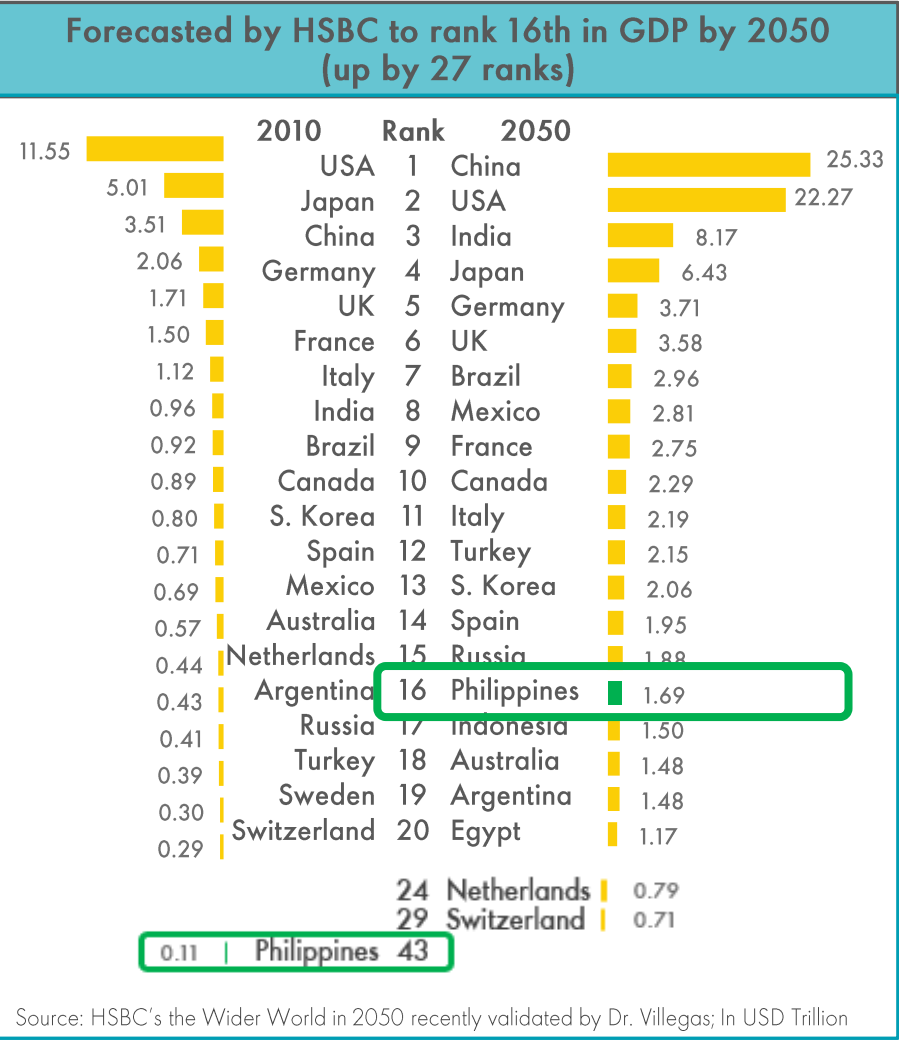
Capturing the country's energy & mobility requirements through world-class innovative offerings

Key Investment Highlights:

- 1.** Attractive Philippine economic & market fundamentals
- 2.** Strong footprint and history in the Philippines
- 3.** Robust marketing strategies with industry-leading innovations supported by world-class supply chain
- 4.** Shell Group integration & move towards lower carbon operations
- 5.** Strong corporate governance & world-class talents
- 6.** Attractive dividend policy (min. 75% of prior year audited net income after tax)

Philippines continues to be one of the fastest rising economies globally

Supported by strong macro fundamentals & young, growing population with high domestic consumption



KEY HIGHLIGHTS

Strong economic growth
Ave GDP of **6.6%** from 2016-19

Fully deregulated market
High stable margins vs region

COVID-19 IMPACT TO THE PH ECONOMY

- Longest lockdown globally
2020 GDP at -9.5%
- Gov't opens economy; **injects stimulus of 6.5% of GDP**
- ADB projects GDP at 6.5% in 2021**; gov't targets 6.5-7.5% from 2021-22

Source: United Nations 2020 estimates; ADB; Bangko Sentral ng Pilipinas; House of Representatives House Bill 6815 ARISE

AGGRESSIVE INFRA PROGRAM

PHP4.1t 100+ approved projects under the Build, Build, Build program

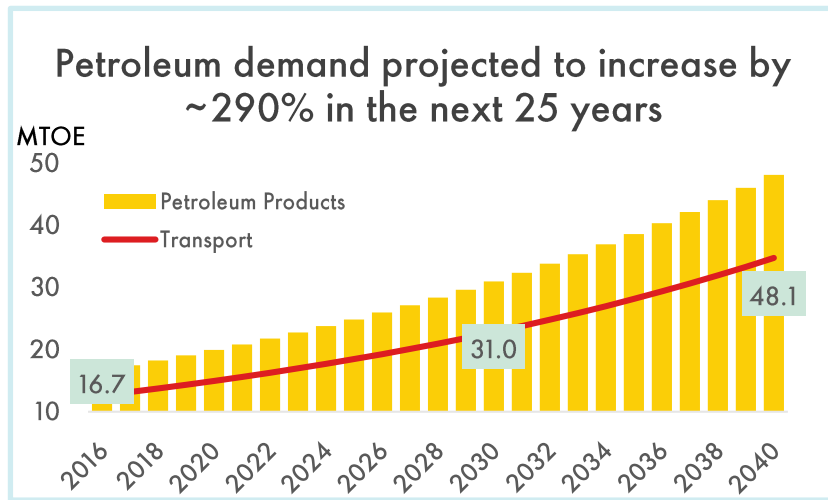
1,000+ Kilometers of new roads nationwide in the next five years

PH: Young, growing population vs World

Country	Median Age
Philippines	24
Malaysia	29
Indonesia	31
World	31
Singapore	36
USA	38.5
Thailand	39
UK	41
Netherlands	43
Japan	49

Source: [Central Intelligence Agency World Factbook](#)

PH Energy Industry expected to continue growing



Source: DOE's Philippine Energy Plan 201740: Energy Demand & Supply Outlook;

OIL DEREGULATION ACT OF 1998

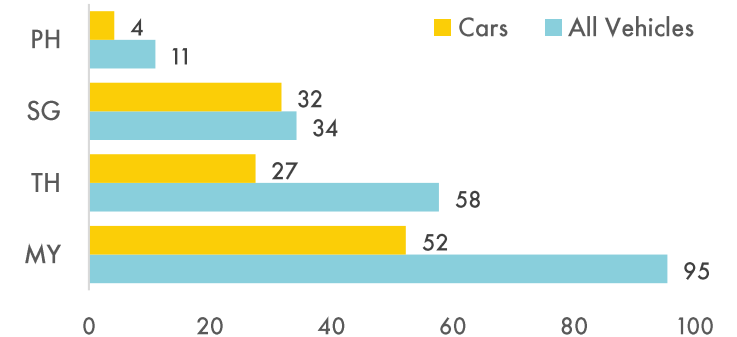
Enabled immense growth of downstream sector



- Price driven by supply/demand
- Players allowed to compete freely with marketing strategies
- Encouraged entry of new players

Source: <https://dirp4.pids.gov.ph/ris/pdf/pidseid0002feb.PDF>

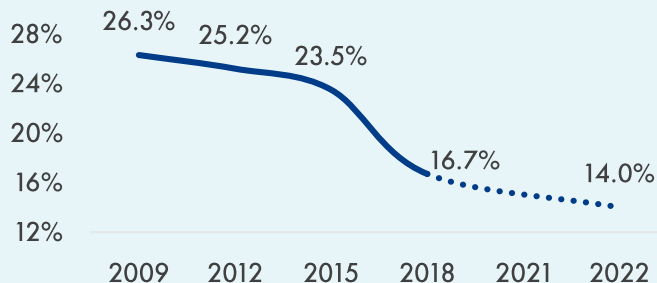
PH: Lowest motorization rate among ASEAN peers (per 100 people)



Source: lto.gov.ph; data.worldbank.org; mycensus.gov.my/; singstat.gov.sg; nationthailand.com; 2019 to present data

Increase in affluence seen: Purchases influenced by Convenience & Trust

Poverty down 10% in 9 years, targeted to be further reduced



Source: Nielsen COVID-19 Impact, Nielsen Consumer Intelligence; Philippine Statistics Authority (Household Final Consumption Expenditure) as of 3Q20



Winning in the NEW NORMAL anchored on TRUST

Filipinos highly value safety, cleanliness, & quality.

Online deliveries projected to increase

>40% Filipinos now middle-class citizens

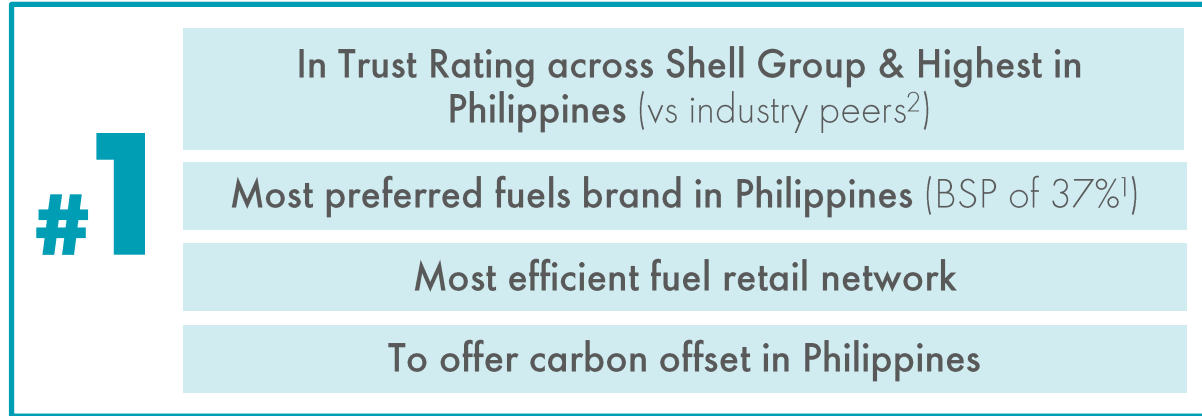
Spends ~45% on food, restaurants, & beverages

28.5% (1991) → **43%** (2018)

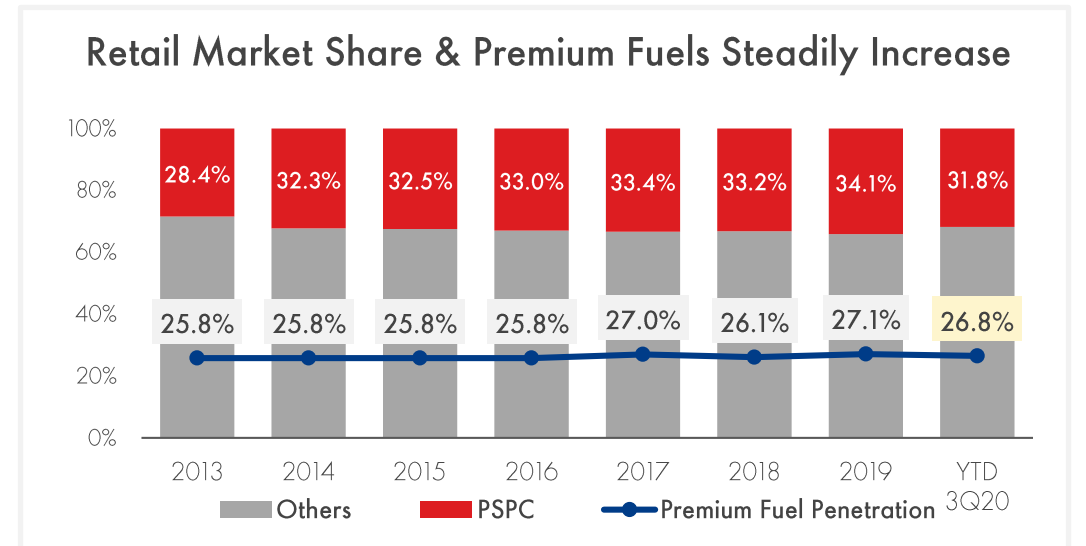
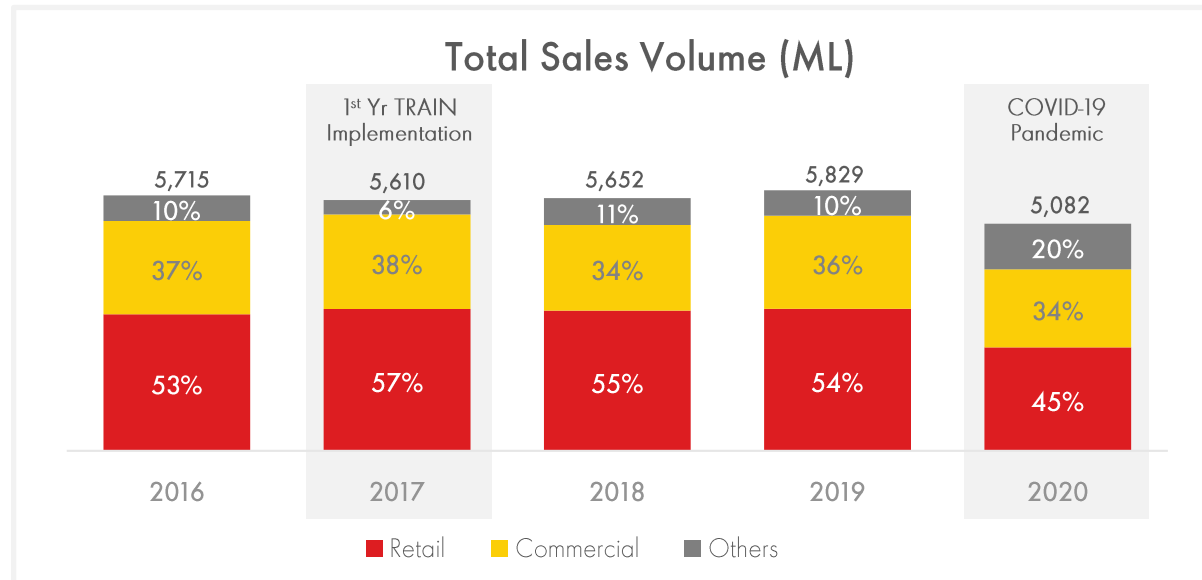
PSPC is a marketing-led energy company supported by a world-class supply chain with 107 years experience in the Philippines



Pilipinas Shell – Leading where it matters



Note: (1) Kantar as of 4Q2020 ; (2) IPSOS Shell Brand and Reputation Tracker as of 2Q 2020



Source: DOE Retail Industry data. 2020 premium fuel penetration is for FY2020;

Pilipinas Shell Strategic Priorities 2021-2025

Market Assumptions

- Demand at pre COVID-19 levels in 2022
- Ave 6% GDP growth p.a until 2025
- Deregulated Market
- Energy demand continues to rise
- Strong vehicle growth & household spending

Note: ADB Study as of Sept 2020;
DOE Phil Energy Plan 2018-2040

Strong cash generation at competitive returns



- Volume growth of 60-70% of GDP
- V Power premium fuel penetration: ~30%; Premium products push across B2B
- >15% annual growth in NFR profits
- Clean earnings growth > PH GDP from 2022-25
- Dividend policy: Minimum 75% of prior year audited NIAT

Disciplined capital expansion & cost management



- Internally finance ~PHP3-4b p.a. CAPEX (~60% Retail, ~40% Supply Chain)
 - Mobility sites: 60-80 p.a. average until 2025
 - Convenience Retail: ~550 Select Stores & ~900 Vehicle Servicing offers by 2025
 - World-class Supply Chain: 5 MR-import terminals, expand nationwide reach
- Target gearing: ~20-30%

Leading position in corporate governance, talent management, & move towards low carbon operations



- Continue leading position in corporate governance & world-class talent management
- Lower carbon operations and sites
- Introduce carbon-offset & innovative low carbon products



Pilipinas Shell Petroleum Corporation



FROM RETAIL TO
MOBILITY

MOBILITY

Leading the mobility future to support the country's growing energy needs

- 60-80 new sites p.a. average until 2025
- Fuels volume **CAGR at ~4%**
- Sustain premium fuel penetration at **~30% yoy**

DIGITAL FIRST

- Global digital platforms
- Efficiency & flexibility

LIFE HUBS

- Flexible community spaces with touchpoint planning
- Convenience & access

LOW CARBON OPERATIONS

Best-in-class sustainable sites to decarbonize operations

EXPERT CARE

- Trained professionals, excellent customer service
- Service for all mobility customers

MOST PREFERRED

- >100 years in PH with highest brand share of preference
- Fuels deliver best ever performance & efficiency

✓ **c.1,500**

Mobility Sites by 2025

✓ **>35%**

Brand Share Preference

Shell Levi Mariano 2, Taguig – Q4 2021

The Future Site is more than a fuel station – it's a destination

LET'S GO+

Shell Go+ connected customer experience providing facilities for customers to earn & pay the way they want, contactless.



**INCREASE IN
LOYALTY VOLUME**



**INCREASE
IN TRIP SPEND**



**MORE REACHABLE
ENGAGED
CUSTOMERS**



MOBILITY – CONVENIENCE RETAIL

Providing products & services for customers to re-energize & care for vehicles

- ~15% annual growth in profits until 2025
- >550 Select Stores by 2025
- 100% CO Sites with CR offers by 2021

KEY PARTNERSHIPS

- Alliances with global & local brands
- Drive higher footfall

REDEFINING CONVENIENCE

- Fit for purpose offers onsite
- Onsite & online accessibility

CONVENIENCE RETAIL

FULL VEHICLE SERVICING

CO-LOCATORS

COMMUNITY HUB

- Meet needs of present & future communities
- Destination for all: provide quality choices
- New formats & integrated experience

VALUE MAXIMIZATION

- Include non-traditional offers
- Accelerate expansion



Select Profit growth vs 2020



Co-locator Profit growth vs 2020



Vehicle servicing profit vs 2020

Shell Pusok, Cebu – Q3 2021



COMMERCIAL B2B (1/2)

Differentiation through quality & innovative products & services

- **Total Commercial B2B Volume CAGR of 5%**
- **Preferred energy partner across our focus sectors**

KEY
GROWTH
LEVERS

Customer Centricity, Digitalization, Disruptive Premium Growth, Integrated Supply Optimizations, Sustainability



COMMERCIAL FUELS

Continued supply across new & existing customers



Leveraging industry expertise to provide fueling solutions



Focus on essential B2B growth sectors
Generation of new CVPs

Widen customer base via intensified strategic presence



AVIATION

Volume back to pre-Covid pandemic levels by 2025



SHELL SKYPAD

HOW SHELL SKYPAD WORKS

Real time data:

Gives operators the information they need at their fingertips to improve decision making and efficiency.

Stock Management software:

Helps to increase security of supply.

Automatic population of refuelling tickets:

Eliminates manual processing, reduces errors by providing electronic proof of delivery within seconds.

Automatic data checks:

Supporting greater invoice accuracy.

'Intrinsically safe':

Runs on a **Zone 1** tablet, purpose-built to be suitable for safe use in all areas of the airport, including the apron and around fuel farms.

Robust, shock and weatherproof:

A range from +50°C to -50°C



Widen customer portfolio & increase loyalty through high quality product & customer-centric service value-add offers



Supply security via efficient supply chain operations

Note: Delivery pegged on assumption that the COVID-19 pandemic will be resolved by 2022 and no further economic recession is experienced.



COMMERCIAL B2B (2/2)

Differentiation through quality & innovative products & services

- **Total Commercial B2B Volume CAGR of 5%**
- **Preferred energy partner across our focus sectors**

KEY GROWTH LEVERS

Customer Centricity, Digitalization, Disruptive Premium Growth, Integrated Supply Optimizations, Sustainability



SPECIALITIES

Supporting the country's infrastructure initiatives

SHELL BITUMEN
FRESHAIR
40% Less
SO_x NO_x VOC PM CO
upon application vs conventional bitumen

Sulphur oxides (SO_x), nitrogen oxides (NO_x), Volatile Organic Compounds (VOC) & particulate matter (PM)

Sustain market leadership in the sustainable product segment



Expand storage capacity to cater increasing demand nationwide



LUBRICANTS

Delivering Greater Value & Innovation to our Customers



More Premium & Differentiated Products sales



Maintain Market Leadership with Industrial Customer Base



Improved Accessibility & Peace of Mind for Motorists



Drive New Products & Services through Digitalization

Note: Delivery pegged on assumption that the COVID-19 pandemic will be resolved by 2022 and no further economic recession is experienced. Specialities, targets hinged on initial BBB targets (e.g. no shift to cement from bitumen).



SUPPLY CHAIN

More affordable, reliable, & customer centric world-class supply chain

- PHP1b p.a. CAPEX to increase & strengthen nationwide footprint
- 5 MR-capable import terminals to expand reach & optimize routes

Delivering structural savings through supply chain enhancements

2021

850 PHPm

Structural savings from Refinery transformation & new MR import terminal in Subic

2023

300 PHPm

Refinery structural full OPEX savings realization

2024/25

300 PHPm

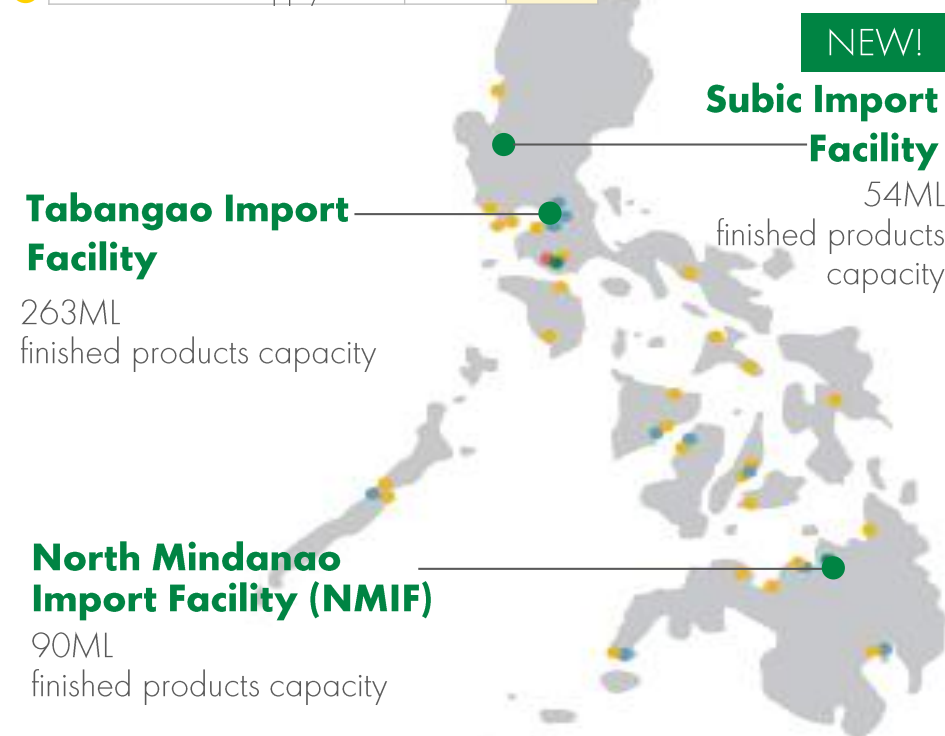
Supply chain savings from 2 new MR-import capable terminals

Increased product availability at competitive prices






- Expand capacity to support marketing growth aspirations
- Enhance competitiveness with new MR-capable import terminals
- Develop best-in class jetty loading & discharging performance from new upsized lines

Increase MR-capable import terminals with more optimized importing routes

	2020	2025
MR-capable Import Facilities	3	5
Lubricants Warehouses	10	11
Fuel Terminals & Supply Points	24	24



Benefits from converting the refinery to a world class import facility

	Refinery + Partial (30%) Import Model	Full import model	
		2021	From 2022 & beyond
 CAPEX	~PHP1.6b p.a.	Run & maintain: ~PHP0.2b p.a.	CAPEX upgrades & new build: cumulative ~PHP1bn
 OPEX	Full manpower, maintenance & overhead costs	PHP0.7b structural savings realized vs running a refinery	PHP0.3b+ add'tl structural savings on full transformation
 PROFITS	Drastically impacted by crude price & refining margin volatility	Reduce variability of inventory gains/losses (+PHP4.2b to -6.8b) & refining margins (+PHP5.5b to -5.7b)	
 INVENTORY	30 days inventory of crude & products	15 days inventory of finished products	
 GROWTH	Negative value & cash outlook despite significant cost savings due to global supply-demand imbalance	Progressive conversion to enhance long-term import & cost competitiveness to capture growing demand. Large capacity tanks with fast transfer rates for efficient marine discharge & loading operations. Digitalization.	

Secured jobs for >120 of the affected refinery employees within Shell Companies in the Philippines

"Utilization of Solar Power & Vapor Recovery technology to support our sustainability aspiration"

Note: Refinery CAPEX based on historical spend for both run & maintain & growth projects since the IPO.

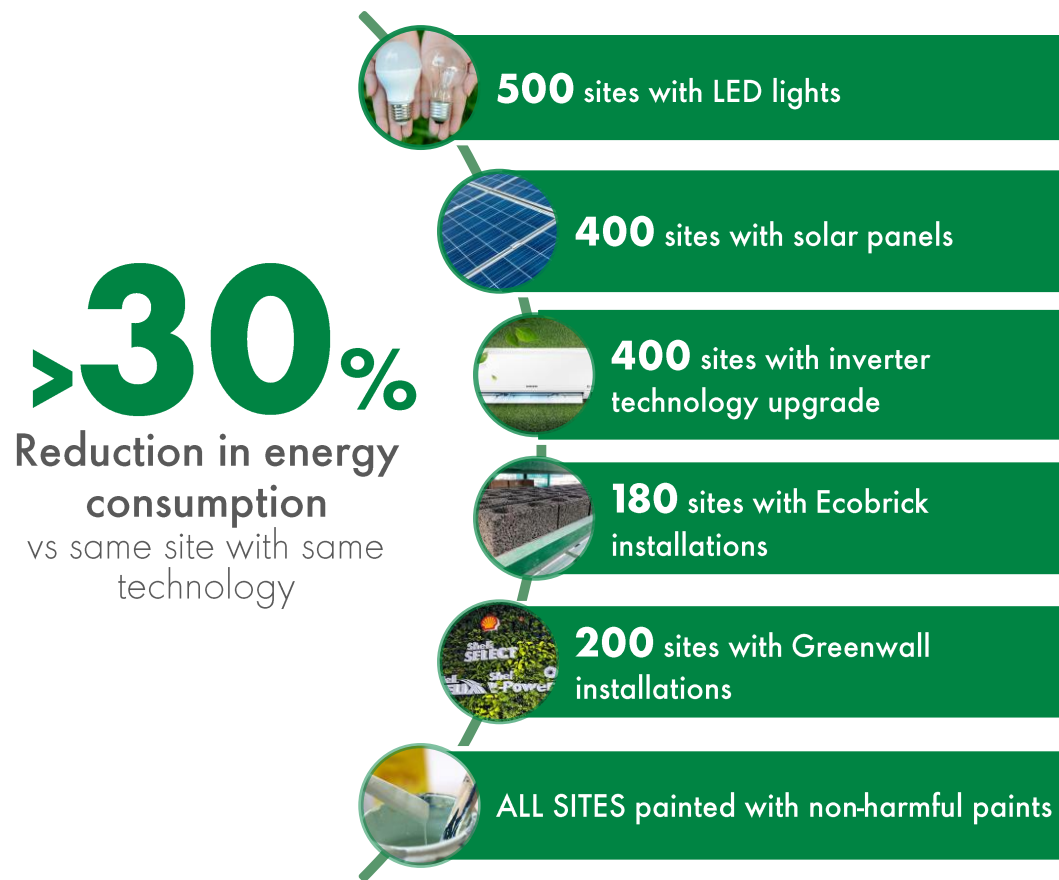


ENVIRONMENTAL SUSTAINABILITY

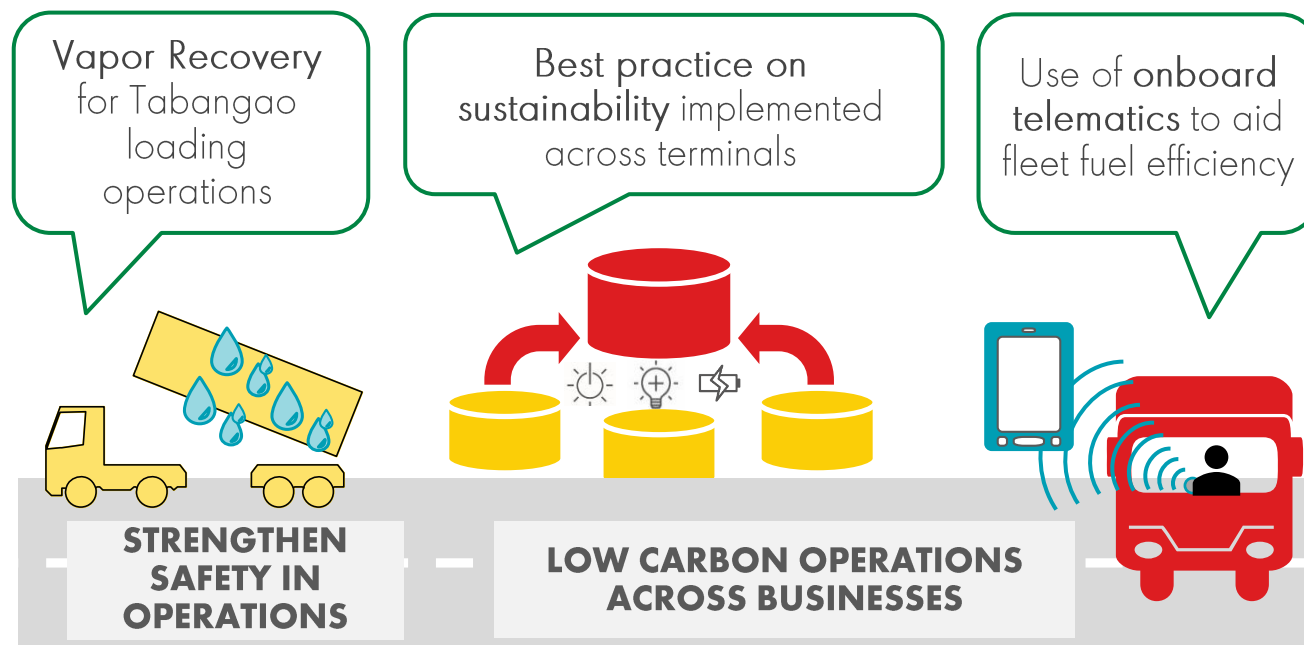
Industry-leading innovations & move towards a low carbon footprint

- **Compliant** with government environmental operational requirements
- Moving to low carbon operations
- Leader in innovative low carbon & carbon offset products

LOW CARBON MOBILITY HUBS @ 2025



Note: Greenwall is a self-irrigating plant wall & rainwater collector allowing the station to use run-off water for the plants in the landscaped area. Ecobricks are usable building blocks made from plastic wastes (e.g. lubes bottles). Energy reduction based on pilot sites.





ENVIRONMENTAL SUSTAINABILITY

Innovative Low Carbon & Carbon Offset Products

Carbon Offset Offers to Customers



Jan 2021: Fleet Solutions secures its first Carbon Offset deal

Mobility Fleet Solutions

Lubricants

Mobility

Commercial Fuels

Shell works with nature-based projects that help reduce greenhouse gas emissions while improving the livelihoods of communities & preserving biodiversity. Projects are verified by independent organizations with highest international standards & generate carbon credits used to offset emissions.

Nature-Based Solutions (NBS)



Photo credit: Jhonny Wyne Edaño

Keenly considering NBS supply opportunities in the Philippines that will generate internationally-accredited carbon credits. These can be used to provide local & international customers the option to compensate for emissions when using Shell products.

New Low Carbon Products

Shell Helix 0W (for cars)

Up to **3% fuel savings¹** & reduced **C02 footprint²**

¹ACEA M111 fuel economy results vs industry reference oil. ²C02 equivalent avoided per 1 L fuel saved, not combusted in the engine



Shell B2B Industrial Products

Wide range of premium B2B products (lubes & greases) used in various industrial applications.



Shell Bitumen FreshAir

40% lower carbon emissions vs conventional bitumen



Shell Quick Mix Instapave



Saves energy. Can be applied straight from the bag with **no local heating requirement.**



BUILDINGS MADE OF UPCYCLED PLASTIC



♻️ Avoided **6,065 kg of CO₂**

♻️ Used **13,250 pieces of Shell Helix Lubes bottles** in the construction of the building

♻️ Prevented **1.2 metric tons of plastics** from entering our landfills

Shell Helix Oil Change+ Center Predominantly Made from Ecobricks or Upcycled Plastics in Plaridel, Bulacan



SOCIAL INVESTMENTS

38 years of Pilipinas Shell Foundation Inc.'s contribution to nation building

- Addresses societal issues directly affecting our business
- Earns our social license to operate with communities & government
- Contributes to improved brand & reputation
- Supports employee recruitment, retention & engagement

ENTERPRISE DEVELOPMENT



Shell LiveWire 2020 Top 10 Innovators

COMMUNITY SKILLS



ROAD SAFETY



Pilipinas Shell Petroleum Corporation



STEM EDUCATION



ACCESS TO ENERGY



DISASTER RESPONSE





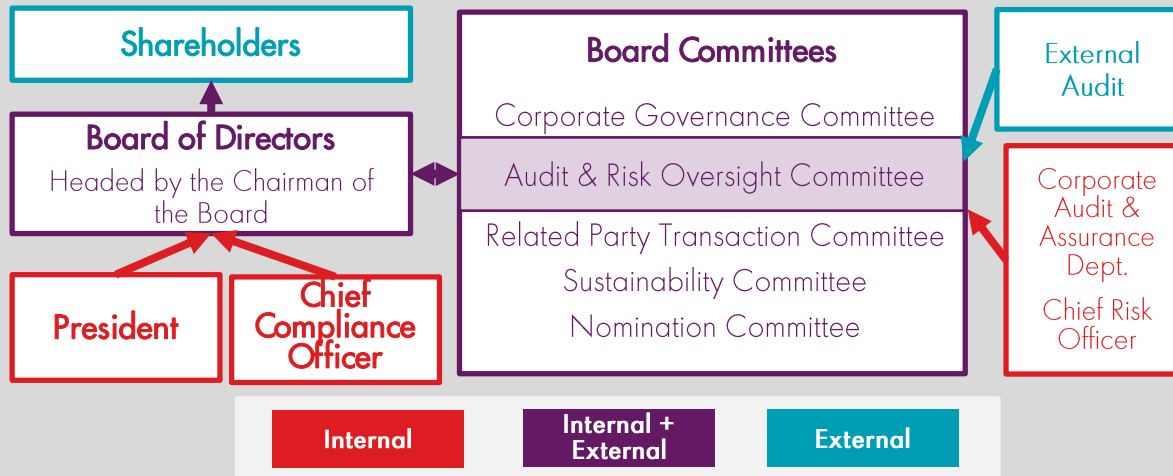
CORPORATE GOVERNANCE

Leader vs industry & other key PH publicly listed companies

FULL
Compliance

- Shell General Business Principles & Ethics & Compliance Policies
- Company's Revised Manual on Corporate Governance
- PSE & SEC's disclosure requirements
- Industry-leading Health, Safety, Security, & Environmental Practices

Corporate Governance Framework



Corporate Governance Mechanisms

Shell General Business Principles	Corporate Assurance & Audit Charter
Code of Conduct	Risk Management Policy
Global Helpline	Revised Manual on Corporate Governance
Ethics & Compliance Manual	Investor Relations
Securities Dealing Code	Corporate Disclosure Guide
Board Audit Committee Charter	Related Party Transaction Policy

Best-In-Class Disclosures



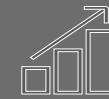
Annual Attestation of Internal Controls

signed off by Chief Executive Officer & Corporate Assurance Manager



Annual & Sustainability Report

Transparent, accurate, & responsible reporting



Audited Financial Statements

Transparent, balanced, & timely reporting

>100yrs

Of combined experience across geographies from Pilipinas Shell Management Team



Capital Finance Institute
Best Energy Corporate Governance - Philippines 2020



TALENT MANAGEMENT

Experienced management with world-class talent

YoY
Top Quartile

- Company reputation perception
- Employee Engagement & Inclusion Culture
- Employee retention (PSPC turnover rate vs. industry ave)



13 ROYAL DUTCH SHELL GLOBAL
RETAIL COMPETITION WINS IN
13 YEARS OF COMPETITION



**INTERNATIONAL
BUSINESS AWARDS &
STEVIE WINNER -
LUBRICANTS TEAM**
Bronze Awardee: Innovation
in Consumer Events



**SAFETY ORG. OF THE PH AWARD OF
MERIT – AVIATION TEAM**
1.99m Safe Manhours w/o Lost Time
Accident (Jul'98-Aug'19)

**IN-HOUSE LEGAL TEAM OF
THE YEAR;** In-House Community
Counsel of the Year Awards



**2019 GLOBAL
MANUFACTURING EXCELLENCE
AWARDEE**
Environmental, Personal, & Process
Safety



**ROYAL DUTCH SHELL WINNER -
COMMERCIAL FUELS TEAM**
2019 East Asia:
Sales Team & Account Managers



Annual feedback through
internal employee survey



Competitive total rewards
& benefit package



Diverse & robust
leadership pipeline



Purpose-driven & structured
career management



**WEPS
AWARDS**

For exemplary practice embracing the Women's
Empowerment Principles (WEPs) in Asia Pacific

Note: These prestigious international awards were given to Shell Companies in the Philippines which Pilipinas Shell is part of.

Diverse, Engaged Workforce Recognized Globally



Investing in the Future, Delivering Today

- **Strong cash generation & competitive yield**
- **Ratable profitability**
- **Good governance & management**

2020 is a pivotal year towards transformation

	2016-19 (average)	2020	2025
PH GDP growth (%)	6.6%	-9.5%	6-6.5%
CFFO p.a. (PHPb)	~10	5.9	~16-17
CAPEX p.a. (PHPb)	4-5	3.1	3-4
Gearing (%)	22%	41%	18-22%
ROACE (%)	~21%	6% ^a	>25%

Note: ^a2020 ROACE Excludes Refinery one-offs & Inventory Holding Losses. ROACE including Refinery one-offs & Inventory Holding Losses, is at -40%. Clean Earnings defined as Net Income after Tax less inventory gains/losses & Refinery one-offs after tax. CFFO is Net cash from operating activities.

Historical dividends paid

Dividends	2017 ¹	2018	2019
Pay-out ratio for prior year earnings	80%	80%	95%
Dividend/share (PHP)	3.73	5.14	3.00

- Committed to deliver dividend payout policy of min 75% of previous year's Audited Net Income After Tax
- Strong cash generation

Note: Dividends paid out for 2016 earnings include payment to existing stockholders pre-IPO.

PILIPINAS SHELL PETROLEUM CORPORATION

Powering Progress for the Filipinos

Leading position in corporate governance, talent management, & move towards low carbon operations



Strong cash generation at competitive returns



Disciplined capital expansion & cost management

Strong footprint & history in the Philippines



Robust marketing strategies with industry-leading innovations supported by world-class supply chain



Shell Group integration



Attractive dividend policy

