

**SHELL PILIPINAS CORPORATION  
MINUTES OF THE SPECIAL MEETING  
OF THE STOCKHOLDERS  
HELD VIA TELECONFERENCE  
ON 21 NOVEMBER 2023**

**STOCKHOLDERS  
PRESENT:**

Stockholder	No. of Shares in Person/Remote Communication	No. of Shares by Proxy	Percentage
AGUAS, NINA PERPETUA D.	7		0.0000%
AGUAS, NINA PERPETUA D.			0.0102%
		164,350	
ANTE, HOMER LEE AND/OR ANTE, SARA JEM MAGGAY	500,000		0.0310%
BPI SECURITIES FAO ANGEL JOSE GARIN DE JESUS		3100	0.0002%
CITIBANK OMNIFOR		282,800	0.0175%
CITIBANK OMNIFOR		531,263	0.0329%
CITIBANK OMNIFOR		66,700	0.0041%
CITIBANK OMNIFOR		933,790.00	0.0579%
CITIBANK OMNIFOR		112,730	0.0070%
CITIBANK OMNIFOR		1,919,540	0.1190%
CITIBANK OMNIFOR		500	0.0000%
CITIBANK OMNIFOR		125,930	0.0078%
CITIBANK OMNIFOR		11,500	0.0007%
COL FINANCIAL FAO ANTHONY GILBERT ANTIQUIERA		5	0.0000%
DEUTSCHE BANK AG MANILA		125,400	0.0078%
DUTSCHE BANK AG MANILA FAO THE INSULAR LIFE ASSURANCE COMPANY, LTD.		10,013,070	0.6206%
ECHAUZ, LYDIA B.	1		0.0000%
ECHAUZ, LYDIA B.		2,000	0.0001%
GAMO, MARK HADRIAN P.	3,000		0.0002%
HSBC MNL CNC NOM 23/1117		30,900,680	1.9152%
LA 'O, LUIS C.		1	0.0000%
LIM, ALBERT A.		4,290	0.0003%
OROCIO, ERWIN R.		6,290	0.0004%
SCB OBO		8,153,867	0.5054%
SHELL OVERSEAS INVESTMENTS B.V.		21	0.0000%
SHELL OVERSEAS INVESTMENTS B.V.		890,860,212	55.2148%

Stockholder	No. of Shares in Person/Remote Communication	No. of Shares by Proxy	Percentage
THE INSULAR LIFE ASSURANCE COMPANY, LTD.		255,452,325	15.8327%
Total			
Grand Total		1,200,173,372	74.39%

**DIRECTORS  
PRESENT:**

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

**ALSO IN  
ATTENDANCE:**

Mr. Albert A. Lim, Vice President – Commercial Fuels  
 Mr. Paulo Angelo N. Arias, Vice President – Human Resources  
 Mr. Sergio C. Bernal, Jr., Vice President – External and Government Relations  
 Mr. Kit Arvin M. Bermudez, Vice President - Trading & Supply  
 Ms. Jacqueline B. Famorca, Vice President – Lubricants  
 Atty. Erwin R. Orocio, Managing Legal Counsel  
 Atty. Mark Hadrian P. Gamo, Legal Counsel & Corporate Secretary  
 Atty. Ralph Gabrielle D. Del Rosario, Legal Counsel & Assistance Corporate Secretary  
 Atty. Vincent Juan, Legal Counsel

876. **Safety Briefing**

Ms. Angelica M. Castillo, Investor Relations Manager, reminded the stockholders present that copies of the Definitive Information Statement, Annual Report, Quarterly Reports, Audited Financial Statements, and Annual Sustainability Report of Shell Pilipinas Corporation (the “Corporation”) are available at the URL: <https://pilipinas.shell.com.ph/>. She then stated that the Corporation will strive to answer all questions received through e-mail during the later part of the meeting.

Ms. Castillo then 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 understand if you will need to drop off this webcast for any reason. 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 emergency numbers in your area.

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.

Kindly note that we will be posting a recording of this meeting on our website as required by the Philippine Securities and Exchange Commission. You may email your questions and concerns over the next two (2) weeks.”

877. **National Anthem**

The Corporate Secretary, Atty. Mark Hadrian Gamo (the “Secretary”), requested the participants to stand up for the Philippine National Anthem.

Afterward, the attendees of the call were asked to take their seats.

878. **Call to Order**

The Secretary introduced himself and then turned over the floor to the Chairman of the Board of Directors of the Corporation, Mr. Min Yih Tan (the “Chairman”). The Secretary stated that the Chairman is concurrently the Senior Vice President - Global Mobility Network of Shell. He added that the Chairman leads and is a key member of the Shell Global Mobility Leadership Team.

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

879. **Introduction of the Members of the Board of Directors and Acknowledgement of Senior Management**

The Secretary acknowledged the presence of the following directors:

NAME	POSITION
Min Yin Tan	Non-Executive Chairman of the Board
Lorelie Q. Osial	Executive Director/ President & Chief Executive Officer
Cesar A. Buenaventura	Independent Director
Lydia B. Echauz	Independent Director
Fernando Zobel de Ayala	Independent Director
Amando M. Tetangco, Jr.	Independent Director
Nina D. Aguas	Non-Executive Director
Luis C. la ‘O	Non-Executive Director
Stuart Chaplin	Non-Executive Director
Reynaldo P. Abilo	Executive Director/ Treasurer/ VP- Finance/ Chief Risk Officer
Randolph T. Del Valle	Executive Director/ VP-Mobility

The Secretary stated that also present were senior members of management of the Corporation and external auditors of the Corporation, SyCip Gorres Velayo & Co. (“SGV”), a member firm of Ernst & Young Global Limited.

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

The Chairman then asked the Secretary whether the stockholders had been duly notified of the Annual Meeting. The 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, the PSE, and through the newspapers of general circulation. The stockholders of record as of the record date on 25 October 2023 were entitled to the notice.

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

The Chairman thereafter asked the Secretary if a quorum was present.

The Secretary certified the presence of a quorum. He stated that in attendance, via remote communication, *in absentia*, and by proxy, were stockholders owning 1,200,173,372 shares representing 74.39% of the total issued and outstanding shares.

881. **Voting Procedure**

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

The Secretary stated that 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.

The Secretary stated that the total votes received as of 17 November 2023 are from shareholders owning 1,199,670,272 shares accounting for 74.35% of the outstanding shares, and were validated and counted by RCBC Stock and Transfer Agent.

The Secretary reported that the final counting of all votes cast was undertaken by RCBC Stock & Transfer Agent and that the final results will be posted on the Corporation's website.

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

The Chairman informed the stockholders that the next item on the agenda was the approval of the minutes of the previous meeting. He reported that copies of the Minutes of the Annual Meeting of the Stockholders held on 09 May 2023 were distributed together with the Notices to the stockholders through alternative modes of distribution. The Chairman then asked the Secretary to report the results of the voting for the approval of the said minutes.

The Secretary reported that as of 17 November 2023, stockholders owning 1,199,670,272 shares and representing 74.35% of the outstanding capital stock of the Corporation, voted in favor of approving the minutes:

“**RESOLVED**, that the Minutes of the Annual Meeting of the Stockholders held on 09 May 2023 be, as it is hereby, approved.”

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

The Chairman then 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.

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

a. **Directly engaging in EV Charging Station Business & Amendment of the AOI to allow Sale of Services related to Electric Charging**

The Chairman gave the floor to Mr. Randolph T. Del Valle, VP for Mobility, to present the proposal for the Corporation to directly engage in the Electric Vehicle (“EV”) Charging Station Business and the amendment of the Articles of Incorporation (“AOI”) to allow the Corporation to engage in the sale of services related to electric charging.

Mr. Del Valle stated that in line with the Corporation’s powering progress strategy and ambition to be a net zero company by 2050 or earlier, to be at pace with changes in society, and to innovate the Mobility offers to serve the Corporation’s customers’ energy needs for the present and the future is of utmost importance in order for the Corporation be a resilient company during the energy transition. He pointed out that Republic Act No. 11697, otherwise known as the Electric Vehicle Industry Development Act or the “EVIDA Law” was passed in order for the country to promote cleaner forms of energy. In line with the EVIDA Law, he stated that the Department of Energy (DOE) indicated in its Comprehensive Electric Vehicle Industry Road Map (CREVI) the ambitious targets for the EV growth for 2030 and 2040.

In order to welcome these developments, Mr. Del Valle requested for the support and approval of the shareholders for the Corporation to directly engage in the EV business and to proceed with the necessary amendments to its AOI. This will allow the Corporation to “purchase, create, generate, hold and otherwise acquire electric current and electric power of every kind, description and source, and to sell, market, supply or otherwise disposed of at wholesale or retail, insofar as it's permitted by law, light heat light, heat and power of every kind description of any source as well as to offer, provide and sell services of its kind to business entities and to end consumer either in conjunction with or independence of the sale of marketing and supply of light, heat and power of every kind, description of its source including but not limited to the services related to electric charging”.

Mr. Del Valle stated that this proposal is in line with the Corporation’s intention to become the mobility leader that is prepared, both commercially and organizationally, for the transition to E-mobility that is expected to take place within the decade.

The Chairman requested the Secretary to report the voting results.

The Secretary reported that based on the final voting tabulation, stockholders owning 1,199,670,272 shares and representing 74.35% of the outstanding capital stock of the Corporation, approved the proposal:

“**RESOLVED**, that the Second Article, of the Articles of Incorporation of the Corporation, be as it is hereby, amended to read as follows:

“(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 as well as to offer, provide, and sell services of all kinds to business entities and/or end consumers, either in conjunction with or independent of, the sale, marketing, and supply of light, heat and power of every kind, description and source, including but not limited to services related to electric charging.”

As of 17 November 2023, no shareholder (or 0.00%) voted against or abstained from the decision to approve.

The Chairman declared that since the stockholders owning a majority of the total outstanding shares voted affirmatively for the proposal, the same is approved.

b. Selling Services (including Technical Services related to Lubricants Business) and related Amendment of the AOI

The Chairman gave the floor to Ms. Jackie Famorca, VP for the Lubricants business, to present the proposal for the Corporation to sell services (including technical services related to the lubricants business) and the amendment of the AOI.

Ms. Famorca reported that prior to 2021, the Corporation’s Lubricants business offered technical services such as Lube Analysis and Lube Optimizer to existing Lubricants customers free of charge. She stated that a global initiative started in 2018 for priority markets, like the United States and Europe, where Shell operationalizes the monetization of technical lube services as an additional income stream to offset the costs. She stated that this was successful and that other Asian markets followed in 2019.

Ms. Famorca stated that the Philippines was one of the last markets that implemented said monetization in 2021 since the Corporation’s AOI only allowed it to charge lubricants technical services as incidental to the sale of goods. This means that the Corporation can only sell to existing Lubricants customers.

Given the expansion to the Corporation’s lubricants offer where thirteen (13) additional services are to be introduced, making the total number of services to

fifteen (15), the Corporation's Lubricants business can now provide an end-to-end solution for its customers, from buying to disposing of lubricants.

Ms. Famorca added that the Corporation is the only lubricant supplier that can offer a wide range of products and technical solutions that are specialized for various sectors. This upgrade in the Corporation's portfolio will have a massive potential to earn more and will be a way for it to capture new lubricant customers. She explained that the Corporation is fully equipped with its global asset portfolio, with its trusted partners and accredited suppliers, and that it has a highly trained and certified team of technical service experts that can support the untapped market.

Given this information, Ms. Famorca stated that the Lubricants business is proposing the amendment of the AOI to enable it to "offer, provide, render and sell services of all kinds to business entities and or end consumers either in conjunction with or independent of, the sale of foregoing goods, products and articles".

The Chairman requested the Secretary to report the voting results.

The Secretary reported that based on the final voting tabulation, stockholders owning 1,199,670,272 shares and representing 74.35% of the outstanding capital stock of the Corporation, approved the proposal:

**"RESOLVED**, that the Second Article, of the Articles of Incorporation of the Corporation, be as it is hereby, amended to read as follows:

(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 including, whether tangible or intangible, but not limited to, dry goods, foodstuffs, food products, beverages, electrical supplies, office equipment, rubber and synthetic products, hydrocarbon products, chemical, chemical products, and credits or certificates and to offer, provide, and sell services of all kinds to business entities and/or end consumers, either in conjunction with or independent of, the sale of the foregoing goods, products and articles."

As of 17 November 2023, no shareholder (or 0.00%) voted against or abstained from the decision to approve.

884. **Question and Answer**

The Chairman opened the floor for questions from the stockholders. Ms. Castillo and Mr. Vincent Juan facilitated the question and answer portion based on the questions received.



**First question:** On 25 October 2023, Shell PH hit a 52-week low of PhP12.9 price per share. What is management doing about it? Please give some thoughts to the common shareholders.

Mr. Reynaldo Abilo, VP for Finance, Treasurer and Chief Risk Officer, responded as follows:

I recognize the concern on the declining share price. The same concern is shared by the management team and the Board of Directors.

There are several factors for the decline. One is the overall macro situation in the country, particularly the recent hikes in the interest rates coupled by the elevated inflation. Another is a function of the global uncertainties affecting our oil price that has been volatile for the past couple of years.

There is also concern around the Corporation's stock liquidity and its growth and dividend prospects.

To address these concerns, the first step that management did was to develop and communicate the midpoint strategy refresh, which was done during the third quarter IR Briefing. It is very important to share our strategic intent for the next two years, which includes the aim to regain our strong earnings, cash and dividend-paying position.

Management believes that good business delivery remains fundamental to share price appreciation and eventually good market valuations.

I am positive that the focus areas that we communicated, particularly recapturing the market profitably, maximizing our end-to-end margin capture and the discipline on cost and capital will result in more regular and attractive dividend payout to our shareholders, and also deliver a compelling investment case for you.

In addition to that, we also continue to enhance our investor relations program by increasing the engagements with both retail and institutional investors. Please be assured that the management of the company, together with the Board of Directors are looking at all options to increase our shareholder value.

**Second question:** What are being done to cut down costs? We are always having virtual stockholders' meetings and there are no snacks or giveaways to shareholders.

Mr. Abilo responded as follows:

At the beginning of the year, we have shared our plan to reduce our costs by about PhP300 million and I am pleased to share to our shareholders that we have outperformed that commitment.

As of the end of September 2023, we have already delivered more than PhP400 million of savings across the organization and we are on track to deliver more on this particular front. Now aside from reducing our cost from operations, we are also optimizing our working capital, particularly our inventory levels. This will help us in our cash flow position by the end of the year and further strengthen our dividend-paying position as we move along to the next quarters and next year.

**Third question:** Wala pa din dividends na mabibigay? (Will you still not be able to pay dividends this year?)

Mr. Abilo responded as follows:

I thank the loyalty and continuous trust by the shareholders in our Company.

With our efforts to improve our financial delivery, we are pleased to share with our shareholders that our unrestricted retained earnings available for dividends are now back to a positive level. It is actually at PhP1.2 billion at the end of Quarter 3 of 2023.

Having said that, the macro environment remains to be very volatile. At the same time, our free cash flow remains to be at a negative position. Hence, we are not yet able to pay dividends this year. It is quite hard to provide an exact timeline when we can resume dividend payout.

Having said that, we are reiterating as part of our refresh strategy that we are maintaining our dividend policy of 75% of our audited net income after tax. While providing regular and attractive dividend payout is a core element of our strategic intent, it is also important that we strengthen and gear our balance sheet given the high-interest environment that we are currently operating in.

Hence, we in the management will drive improvement in free cash flow to fund both dividend and debt-free payment moving forward.

***Fourth question:*** Is Shell Pilipinas Corporation making any profit from charging of Electric Vehicles (“EV”)?

Mr. Abilo responded as follows:

The company indeed generates profits from each of the EV transactions that we are having in our charging stations. But I must say that the impact on the overall Corporation result is still low since the EV industry is still in its early stages.

The impact on the Corporation’s earnings is expected to increase in future years in line with the projected growth in the development of EV demand and also the industry.

Mr. Juan then gave the floor to the Chairman. The Chairman asked if there were any further questions. Ms. Castillo confirmed that there are no more questions and stated that the shareholders are encouraged to send in their questions via e-mail together with their contact details so that the Corporation can respond to these questions offline.

885. **Adjournment**

Before adjournment, the Chairman requested Ms. Osial to make a few closing remarks.

Ms. Osial stated her closing remarks:

To our dear shareholders, thank you for joining us today and thank you for sending in your votes.

Our mission remains the same. We will power progress together with the Filipinos by providing more and cleaner energy solutions. The Philippines remains to be a key market for Shell PLC and your Corporation will continue to be a partner in nation-building through our proactive efforts in meeting the energy growth requirements of the Philippines, powering lives and communities, and caring for the environment.

Your Corporation, with its committed and highly capable Filipino talent, as disclosed in our strategy day last week, will focus on earnings versus growth, maximizing our assets, technology and expertise to bring the most value to our shareholders. We will do this through three things: (1) capturing the market profitably, (2) maximizing end-to-end margin, and (3) cost and capital discipline.

Thank you so much for your continued trust and continued loyalty. Maraming salamat. Mabuhay.

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

Prepared by:

**MARK HADRIAN GAMO**  
*Corporate Secretary*

**Attested By:**

**MIN YIH TAN**  
*Chairman of the Board*