

Sustainability Statement

Petrogen Insurance Corporation (“Petrogen”), as the captive insurer of the San Miguel Corporation (“SMC”) and its subsidiaries and affiliates (“San Miguel Group”), fully supports the San Miguel Group’s long-term vision for a sustainable, resilient, and inclusive future. In alignment with SMC’s Sustainability Goals, Petrogen embeds responsible practices in our insurance operations and risk management framework to protect the San Miguel Group’s people and assets, and business continuity. It recognizes sustainability as a shared responsibility and remain committed to SMC’s sustainability priorities.

Petrogen contributes to SMC’s circular economy aspiration by strengthening risk management solutions that encourage resource efficiency, responsible asset management, and loss-prevention strategies. Through risk assessments, data-driven insights and close collaboration with business units of the San Miguel Group, Petrogen helps protect facilities and operations that are transitioning to more sustainable and circular business models.

Petrogen is committed to aligning its insurance programs, risk evaluations, and claims processes with SMC’s decarbonization roadmap. By enhancing resilience against climate-related risks, supporting low-carbon and renewable technologies, and advocating for climate-conscious underwriting and risk mitigation strategies, Petrogen plays an essential role in enabling a Net Zero future.

Consistent with SMC’s goal to uplift at least 15 million Filipinos by 2030, Petrogen supports initiatives that enhance community resilience and employee well-being. Our risk-mitigation efforts, capability-building activities, and responsive claims servicing aim to

- safeguard livelihoods,
- support immediate recovery after losses, and
- maintain safe, and secure environments across the San Miguel Group.

Petrogen upholds ethical standards and responsible business practices by engaging reputable reinsurance partners, adjusters, and service providers which share San Miguel Group’s commitment to **integrity, transparency, and sustainability**. Petrogen’s procurement and operational practices reflect transparency and accountability, contributing to a fully sustainable and ethical value chain.

Petrogen commits to integrating Environmental Social Governance (ESG) principles into its insurance operations and risk management practices to support San Miguel Group’s goals on sustainability, climate resilience and responsible governance. **Through continuous**

improvement and adherence to best practices risk management standards, Petrogen helps ensure a future that is safer, more sustainable, and better protected.

As the insurer of the people and assets of the San Miguel Group, Petrogen recognizes that physical climate hazards pose material risks to the operations, continuity, and resilience of the Group's subsidiaries. Climate-related events such as floods, typhoons, extreme heat, and sea-level rise may disrupt operations and, in severe cases, render critical facilities temporarily or permanently inoperable. To manage the implications of these risks to our portfolio, we conduct regular facility inspections and work closely with subsidiary management to recommend appropriate risk-mitigation and resilience measures.

In recognition that climate conditions are projected to intensify over time, Petrogen also participated in a climate-risk assessment led by SMC's Corporate Sustainability Office. This assessment applied a structured, data-driven methodology to evaluate exposure to seven key climate hazards across priority locations: flooding, typhoons, storm surges, extreme heat, water stress, sea-level rise, and rain-induced landslides. The analysis integrated Philippine climate data, global climate scenarios, and specialized hazard-modelling tools to assess both current and forward-looking risks under multiple climate pathways, ranging from an optimistic low-emissions future to a high-emissions scenario with severe climate impacts. The resulting facility-level risk profiles enable Petrogen to better calibrate underwriting assumptions, prioritize risk-reduction measures, and support the Group's long-term climate resilience strategy.

Petrogen ensures that should there be any material and reportable non-financial and sustainability issues, the same shall be adequately disclosed by Petrogen in its relevant reports to the Insurance Commission. To date, there are no such material issues that would require reporting.

To learn more about SMC's sustainability efforts, please visit:

<https://www.sanmiguel.com.ph/sustainability/>