

Sustainability Reporting Template

Contextual Information

Company Details	
Name of Organization	THE PHILODRILL CORPORATION
Location of Headquarters	8 TH F, Quad Alpha Centrum Bldg., 125 Pioneer St., Mandaluyong
Location of Operations	with active Service Contracts in NW Palawan and Mindoro, Phils.
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	THE PHILODRILL CORPORATION
Business Model, including Primary Activities, Brands, Products, and Services	Oil and Gas Exploration and Production
Reporting Period	2024
Highest Ranking Person responsible for this report	ADRIAN PAULINO S. RAMOS President

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.

The Philodrill Corporation recognizes the value of sustainability reporting as a useful risk management tool that will generate savings for the Company and help attain its goal of increased shareholder value. Philodrill is committed to providing access to affordable, reliable and sustainable energy that is essential to fuel our economy and improve living conditions.

Material topics were determined through the engagement of stakeholders (both internal and external) and rationalize the factors that have the most impact, where it occurs or how such factors affected the respondents' lives.

This Report will provide insight on the Company's risk management policies and governance practices and what it does to manage social, environmental, and economic sustainability.

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	211,756,468	Php
Direct economic value distributed:		
Operating costs	155,682,610	Php
Employee wages and benefits	29,216,771	Php
Payments to suppliers, other operating costs	28,682,803	Php
Dividends given to stockholders and interest payments to loan providers	0	
Taxes given to government	6,080,825	Php
Investments to community (e.g. donations, CSR)	40,000	Php

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>	<i>(e.g. employees, community, suppliers, government, vulnerable groups)</i>	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>
The impact of economic performance is on the primary business operations of the Company. As the upstream Oil & Gas industry is a capital intensive business, strong economic performance means more projects are carried out. The impact is directly caused by the company as it is the measure of its performance in operating the business.	Strong economic performance means that value is delivered to our shareholders , value is delivered through our services to society , employees are offered competitive salaries and benefits, obligations to suppliers and creditors are met, customer orders are fulfilled, Government gains revenues and the local communities receive investment.	The Company implements Enterprise Risk Management (ERM). ERM provides reasonable assurance regarding the achievement of the Company's objectives. Philodrill can identify, assess, respond and monitor the outcomes of the industry's leading risk factors with an Enterprise Risk Management system in place.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
In the oil and gas industry, managing capital projects, in	The Company itself, employees, suppliers and	Effective monitoring and reporting mechanisms are in place to continuously

<p>particular large capital projects, in a global environment is becoming increasingly complex. Oil and gas companies need to make strategic decisions about which projects should be developed first to ensure their company's best performance.</p> <p>1. Price Risk. The price of oil and gas is the primary factor in deciding whether a reserve is economically feasible. Basically, the higher the geological barriers to easy extraction, the more price risk a given project faces. This is because unconventional extraction usually costs more than a vertical drill down to a deposit.</p> <p>2. Supply and Demand Risk. Operations take a lot of capital and time to get going, and they are not easy to shut down when prices go south or to ramp up when they go north. The uneven nature of production is part of what makes the price of oil and gas so volatile. Other economic factors also play into this, as financial crises and macroeconomic factors can dry up capital or otherwise affect the industry independently of the usual price risks.</p> <p>3. Cost Risk. The more onerous the regulation and the more difficult the drill, the more expensive a project becomes.</p> <p>4. Operational Risk. Companies struggle to find and retain the qualified workers that they need to operate the field.</p>	creditors, contractors	review and manage the exposure to the risks and opportunities
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the</i>		

<i>organization</i>		
<p>Good economic performance opens opportunities for the Company to participate in more exploration projects and enter into Joint Venture agreements.</p> <p>Provides the Company resources to offer competitive compensation package and benefits for its employees, and share profit to its stockholders. But more importantly, the Government gains more revenues and better investments are returned back to the local communities.</p>	The stockholders, employees, National Government and the local community	Management implements rationalization of exploration projects, prioritizing those within the medium-term prospects. In all its undertakings, tighter measures are employed to ensure efficient utilization of resources to minimize cost and dependence on outsourced services that are more costly.

Climate-related risks and opportunities¹⁵

Governance	Strategy	Risk Management	Metrics and Targets
<i>Disclose the organization's governance around climate-related risks and opportunities</i>	<i>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material</i>	<i>Disclose how the organization identifies, assesses, and manages climate-related risks</i>	<i>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</i>
The Philodrill's Board of Directors ensures that a comprehensive, corporate-wide climate change mitigation or adaptation strategy is in place. Executive Management must identify adaptation measures and opportunities to mitigate energy cost, carbon and carbon related regulatory	Philodrill is committed to protecting the environment. It works hard to at least minimize or at the most cause no harm to people. The Company as Operator sets environmental standards in accordance with global best practices, which meet all regulatory	<p>The Company adheres to processes that assess and mitigate risks and support decision making. These processes include the following:</p> <p><i>Enterprise Risk Management.</i> ERM process provides corporate oversight for identifying major risks to the Company and ensuring mitigation plans</p>	<p>The Company has not set targets for emissions reduction for the most recent years as most of its major assets are still in the exploration stage while Greenhouse Gas (GHG) emissions at the office has minimal impact to the environment.</p> <p>However, for the Galoc Operations, wherein Philodrill</p>

<p>measures.</p> <p>The most cost effective measures the Company can take to adapt to physical risks (to build resilience for climate changes which can no longer be avoided) and mitigate energy costs and carbon risks (reduce exposure) are then described based on observation of global best practices. These measures should not be considered in isolation but within the capital planning cycle of the Company.</p>	<p>requirements. The company's standards cover its environmental performance including: managing emissions of greenhouse gases, using less energy more efficiently, flaring and burning off less gas during oil production, preventing spills and leaks of hazardous materials, using less fresh water and conserving biodiversity wherever we operate. It encourages the Partners in the consortium to comply with the best standards. The Company works in partnership with the government (DOE, PCSD), Academics (UP Geological Society) and local community (El Nido) to maintain and sustain its high standards.</p>	<p>are in place. The ERM process includes risk review with executive management and the Board of Directors that identifies risks inherent in our business.</p> <p>Risks assessed through this process include financial, operational, geopolitical, commodity pricing, security, geological and technological as well as climate change risks.</p> <p><i>Strategic and business planning processes.</i> The Mancom is responsible for managing the strategic and business planning processes at the Board's direction. These processes are designed to ensure that our business remains resilient under a variety of circumstances, and they include examination of external points of view, ongoing assessment of the dynamics of the energy sector, monitoring of policy and regulatory developments, and examination of trends, such as advancements in technology and evolution of consumer preferences.</p> <p><i>Portfolio management.</i> The Company manages its portfolio of assets to meet objectives in accordance with its strategic and/ or business plans. A decision to invest in an asset and add it to the</p>	<p>has a participating interest, GHG emission and gas flaring are being monitored and measured.</p> <p>The Company, once producing again will actively engage in direct and indirect monitoring of GHG emissions.</p>
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Recommended Disclosures			
Describe the board's oversight of climate-related risks and opportunities	Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Describe the organization's processes for identifying and assessing climate-related risks	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

<p>The Philodrill Corporation, through its Board of Directors, is committed to its goal of energy sufficiency, but remains focused on operating responsibly and safely. The Board meets regularly, on a monthly basis to discuss updates of company assets which includes climate-related concerns.</p> <p>During these meetings, decision-making issues that require top-level approval are presented. The management assures that the impacts on the environment (i.e., climate change) are carefully considered in the choices presented to the board. Updates on policies implemented, actions undertaken, and effects of these decisions are discussed with the board.</p>	<p>As most the assets are still in the exploration stage, the bulk of the workload is tied in office works.</p> <p>Production of paper wastes is the most common short-term environmental risk the Company is facing. By going electronic, not only is the Company reducing paper wastes but also operational expenses.</p> <p>The more intense extreme rainfall events and other natural disasters were identified as affecting its employees in a short- term period. The flaring of natural gases in the Galoc asset emits tonnes of GHG into the atmosphere thus causing medium-term health hazards to the employees onboard the platform and long-term effect on global warming.</p>	<p>During the last meeting for the year, Management discusses with the Board the work program and budget (WP&B) plans for the succeeding year. The Exploration program such as Geological & Geophysical activities are strategically scheduled all throughout the coming year. Management identifies possible environmental (including climate- related) risks that may impede the accomplishment of the said activities or cause any disruption in the operations. Guidance from the Board is sought on the implementation of cost-effective adaptation strategies. Previously collected data such as rainfall quantity, ocean current pattern, and gas emissions helps in forecasting risks that may arise during the implementation of G&G activities. The occurrence probability of these risks and the object which it will directly and indirectly affect are considered carefully.</p>	<p>Philodrill's operated blocks are strictly complying with RA 8749 or the Philippine Clean Air Act of 1999 which has the Department of Environment and Natural Resources (DENR) as the lead agency. The quality and quantity of gas emissions during operations are compared to the standard limits set by the DENR.</p> <p>Philodrill adheres to the DOE standards concerning regulations in the energy industry. The Company regularly submits quarterly and annual operations reports and results of exploration activities of the Company's operated service contract. The Company's plans are also aligned with the department's mission to be globally-competitive while improving the quality of life of Filipino communities.</p>
Describe management's role in assessing and managing climate-related risks and opportunities	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	Describe the organization's processes for managing climate-related risks	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets
Management provides the link between its employees and the host	Philodrill is exposed to many weather-related climate change risks	During the initial planning stages of our major projects, a screening	The primary target of the Company is to lessen carbon footprint and the negative

<p>communities that are directly exposed to climate-related risks to the Board which is the decision-making body of the Company. Management is also responsible in providing immediate sound decisions and actions toward these risks. Management oversees all operations and assesses possible environmental impacts of the Company's activities.</p>	<p>that could result in construction delays, production downgrades or blow outs to decommissioning costs, if not managed well.</p> <p>Company activities are planned and scheduled accordingly to lessen climate-related risks (e.g., weather pattern) that will incur additional expenses. Environmental factors, such as the reuse of materials and appropriate disposal, are considered when closing down a site.</p>	<p>process is implemented to identify potential environmental and social impacts. These may include impacts on sensitive areas and freshwater resources, as well as the prevalence of bribery and corruption in the LGU, local employment and community health and safety. The results are used to identify actions and mitigation measures and then implement these in project design, construction and operations.</p> <p>The Management team works hard to understand environmental and social sensitivities in the areas where we operate with the aim of avoiding, minimizing and mitigating any potential impacts.</p>	<p>environmental impact of its exploration activities. Recycling is practiced in the office premises. Reusable items such as papers, newspapers, carton boxes, plastic bags, and plastic/glass bottles are either reused or if unrecyclable are sold and proceeds distributed to the staff. These measures that not only aid the employees in work but also benefits the Company by lessening operational expenses and providing additional income.</p> <p>Conservation of electricity and water is also a constant practice. The Company is contributing less air pollutants with the efficient use of GHG-emitting equipment.</p> <p>Management ensures that the facilities of producing oil fields are in good condition so that emissions of hazardous matters are at the minimum or acceptable limits.</p>
	<p>Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario</p>	<p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management</p>	
	<p>The Company's management and staff plan and create scenario analysis prior to implementation of projects. A contingency plan is always included in the programs presented to</p>	<p>Management practices a holistic approach in doing the Company's overall risk management. After identification, assessment, and action preparation for the climate-related risks, integration with the other</p>	

	the board. Usually, an additional 10-20% of the total project budget and total number of working days is allocated as contingent measures.	risks are done. A cause-and- effect relationship is established on the risks associated with each other. G&G activities are undertaken during favorable weather window periods taking into consideration weather downtime, thus limiting risks and expenses and ensuring the safety of operations.	
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Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	Php27,644,898	96.38%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach	
<i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>	<i>(e.g. employees, community, suppliers, government, vulnerable groups)</i>	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>	
Localizing supply chain represents an opportunity to help reduce emissions and energy usage. Local supplies do not create large carbon footprints through overseas plane travel or long truck trips. This cuts down on fuel consumption and air pollution.	Suppliers	Foreign contractors are only engaged if there are no qualified or capable local suppliers available.	
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach	
<i>Identify risk/s related to material</i>			

<i>topic of the organization</i>		
Inability of local suppliers to meet the demand.	suppliers	Management assesses the availability and competency of local suppliers. Foreign contractors are only engaged if there are no qualified or capable local suppliers available.

ENVIRONMENT		
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the Organization</i>		
<p>The Company reduces shipping and storage cost while increasing revenue of the local economy by involving local suppliers.</p> <p>This presents opportunity to the Company to be more competitive in terms of its pricing of local crude oil produce and sold to refineries or end users.</p>	Suppliers and other oil and gas companies	The Company seeks and maintains mutually beneficial relationships with Suppliers that uphold the Company's principles and core values.

Resource Management

Energy consumption within the organization: (Annual Consumption at the Principal office)

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0	GJ
Energy consumption (LPG)	N.A.	GJ
Energy consumption (diesel)	24.51	GJ
Energy consumption (electricity)	54,960 (4,580/month)	kWh

**Electricity consumption at the principal office for 2024*

Energy consumption on site: Galoc

Energy Consumption (Diesel)			
Parameter	Term/Formula	Unit	Year
Sulfur in fuel actually used (average)	A	%	0.002
Fuel Consumption	B	li	284,900
Conversion Factors	C	lb/kg	2.205
	D	li/gallon	3.785
Diesel Density	E	lb/gallon [1]	7.1
	$F = E / (C * D)$	kg/li	0.8507
Average Diesel Heating value	G	BTU/lb [1]	19,300
	$H = G * C$	BTU/kg	42,556.50
	$I = H * F$	BTU/li	36,203.43
Power Input	$J = I * B / 1000000$	MMBTU	10,314.36

[1] Source: US-EPA, AP 42, Fifth Edition, Volume I Chapter 3.4 (Updated October 1996)

(<https://www3.epa.gov/ttn/chief/ap42/ch03/final/c03s04.pdf>)

Energy Consumption (Natural Gas)			
Parameter	Term/For	Unit	Year 2024
Fuel Consumption	A	mmscf	44.677
Average Natural Gas Heating value	B	BTU/scf	1,050
Power Input	$C = A * B$	MMBTU	46,910.85

[1] Source: US-EPA, AP 42, Fifth Edition, Volume I Chapter 3.4 (Updated October 1996)

(<https://www3.epa.gov/ttn/chief/ap42/ch03/final/c03s04.pdf>)

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	0	GJ
Energy reduction (LPG)	N.A.	GJ
Energy reduction (diesel)	1.86	GJ
Energy reduction (electricity)	0	kWh
Energy reduction (gasoline)	N.A.	GJ

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)	(e.g. employees, community, suppliers, government, vulnerable groups)	What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?
Energy directly impacts the Company's operations. Energy	Employees, contractors, JV partners, community	Philodrill is committed to using less energy and more efficiently, flaring and burning off less gas during oil production.

resources are vital and necessary to the daily operations of the oil fields. Rationalization of energy consumption involves the Company, its employees and contractors both onsite (field operations) and offsite (office site). Continuous reduction of energy consumption is being done through implementation of energy conservation measures.		It encourages Partners in joint ventures to comply with global standards and best practices. The Company is also implementing cost-cutting measures resulting to the proper monitoring of and reduction in general & administrative expenses.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
Inefficient use of equipment resulting to higher energy consumption.	Employees, personnel working on site	Continuous monitoring and constant reminder to company employees of efficient use of office equipment. Orient maintenance staff on the schedule of switching on and off of lights, aircon, workstations, and other electrical equipment. Encourage employees to car pool, if possible, to save on gasoline/diesel Facilities at site are well maintained and kept at best condition to work efficiently.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>		
The Company will assess the impact of implementing alternative work scheme including an option to work from home to decrease operational costs and increase employees' productivity by minimizing travel time.	Employees	Continuous assessment of practicality and viability of implementing alternative work scheme.

Water consumption within the organization (off site – Office)

Disclosure	Quantity	Units
Water withdrawal	No data	Cubicmeters
Water consumption	354.10	Cubicmeters
Water recycled and reused	0	Cubicmeters

Water consumption on site (Palawan)

Disclosure	Quantity	Units
Water withdrawal	n/a (with own desalination/water maker)	Cubic meters
Water consumption	9,007	Cubic meters
Water recycled and reused	N/A	Cubic meters

*Note that we are manufacturing/making our own fresh water that was converted from the sea water within the area.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>	<i>(e.g. employees, community, suppliers, government, vulnerable groups)</i>	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>
As the country experienced water crisis in 2019, the Company has been prioritizing water management, so as not to contribute further to the depletion of our water resources. At the Platform, we use reverse osmosis in seawater desalination to produce clean water that can be used for drinking, bathing, food preparation, and other general purposes.	Community, Employees, and personnel working in the platforms	The Company educates and constantly reminds its employees on the efficient use of water. Reprocessing of seawater to produce clean, safe, and fresh water to be self-sufficient, instead of relying on water tank refilling by supply vessels, which will entail additional logistical processes is continuously being implemented.
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
Within the office premises, some	Employees	The Company constantly reminds its

personnel are unaware that they irresponsibly use water facilities resulting to higher consumption.		<p>employees to practice water conservation.</p> <p>Management lowered the water pressure in the comfort rooms, to control water flow and avoid spillage.</p> <p>Also, management ensures that there are no faucet and toilet leaks to avoid water wastage by conducting regular inspections</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>		
<p>Efficient water consumption leads to financial savings, which can be appropriated by the Company for other purposes.</p> <p>Additionally, water conservation helps the community as a whole in prolonging the water supply especially during dry seasons from March to May wherein the water in reservoirs falls below normal level.</p>	Employees and Building Management	The Company constantly reminds employees to use water responsibly.

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Galoc FPSO (Intrepid Balanghail) Location: Location: West Philippine Sea, 87km north of El Nido town 11° 58' 37.2" N 119° 18' 43.2" E	
Habitats protected or restored	none	ha
IUCN17 Red List species and national conservation list species with habitats in areas affected by operations	(list)	

*Note that we have a full copy of the Marine Protected Areas (MPA) for the whole Occidental Mindoro and Palawan with given locations and areas. Species are generally referred to as fishes, corals, seaweeds and the like.

What is the impact and where organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i> <i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>		
The Company ensures strict compliance with environmental laws and policies by securing required permits from the DOE, DENR-EMB. Philodrill supports the conservation and preservation of protected areas that house our country's rich	Employees, Marine Crew onboard the Vessels, Personnel working at the platforms and local Communities adjacent to or within the SCs	The Company secures a Certificate of Non Coverage (CNC) or Environmental Compliance Certificate (ECC), whichever is applicable, from the Environmental Management Bureau (EMB) of the DENR to cover all its exploration activities, as well as Strategic Environmental Plan Clearance (SEPC) from Palawan Council for Sustainable Development (PCSD).

natural resources (both flora and fauna).		<ol style="list-style-type: none"> 1. Service Contract 14 C-1 – Galoc <ul style="list-style-type: none"> • Strategic Environment Plan Clearance issued by PCSD and concurred by DENR for the Galoc Field Area Development Project on December 15, 2016 • Environmental Compliance Certificate issued by DENR (signed by Sec. Angelo Reyes) on August 30, 2006. The ECC coverage specified the “Oil Development and Production of Galoc and Octon Fields” 2. Service Contract 14 C-2 – West Linapacan <ul style="list-style-type: none"> • Strategic Environment Plan Clearance issued by PCSD and concurred by DENR • Environmental Compliance Certificate issued by DENR. 3. Service Contract 53 – Onshore Mindoro <ul style="list-style-type: none"> • Certificate of Non-Overlap of any Ancestral Domain/Land of Indigenous Cultural Communities issued by the National Commission on Indigenous People (NCIP) Region 1V on September 22, 2014
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
For the fieldworks, marine and land seismic and gravity surveys, drilling and production activities, the risk include the disturbance of local ecosystem in the area (i.e. cutting of trees, oil spill, improper disposal of large volumes of saline water, and gas flaring).	Employees, Marine Crew onboard the Vessels, Personnel working at the platforms and local Communities adjacent to or within the SCs	The Company strictly abides with Environmental laws and policies. The exploration, production and development activities are being accomplished with minimum or no detrimental impacts to flora and fauna, marine and onshore environment, soils, surface, ground, and marine waters. Regular Health, Safety, Security and Environment (HSSE) meetings are being conducted during onshore and offshore operations. The Company conducts Bathymetric Survey to determine the shallow water areas or pinnacles to be avoided during seismic surveys.

		<p>The P&A of production wells in SC 14A and SC 14B in 2018 and 2019 were accomplished with no significant impact to the environment and offshore waters. Some of the platforms were stripped of equipment and materials that were transported onshore for later disposal. With regard to the SC 14C-1, Galoc field operations, Oil Spill Contingency Plans are in place in case of any untoward incidents. Produced water and petroleum wastes are being monitored in compliance with the standard acceptable amount defined by the DENR. Used diesel is being monitored to ensure that there is no spillage.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the Organization</i>		
<p>Decrease of negative environmental impact while minimizing incurred operational cost by partnering with other companies that provide exploration services within adjacent areas. In the office, decrease environment impact and CO2 imprint by going paperless/electronic. In offshore operations, JV partners devise ways to repurpose old platforms (they were converted as defense outpost of the government) instead of building or manufacturing a new one.</p>	<p>Local communities adjacent or within the SCs, Employees, and Third Party Contractors</p>	<p>The SC 14 JV turned over the Nido and Matinloc platforms to the DOE in December 2019 so that they can be used by the DND-AFP for national defense, instead of creating a new outpost.</p>

Environmental impact management

Air Emissions

GHG

Air Pollutants:

Emission Rate Estimates

For the flaring facility, emission rate estimates of the GFAD Floating Production Storage Offloading (FPSO) Vessel for the year 2024 are presented in the table below:

Pollutant	Emission Factor [1]0 (tons pollutant/tons gas)	Emission for the Year 2024 (tons)
CO2	2.8	151,867.31
CO	0.0067	363.39
NOx	0.0012	65.07
N2O	0.000081	4.38
SO2	0.0000128	0.68
CH4 natural gas	0.018	976.29
VOC natural gas	0.002	108.47
Gas Quantity Emitted		
Volume of Gas, ft3	1,838,839,800	
Equivalent Weight, tons	54,238	

For fuel combustion, emission rate estimates of the FPSO for the Year 2024 are presented below:

Pollutant	Emission Factors		Year 2024 (tons)
	lb/MMBTU	kg/MMBTU	
CO2	165	74.80	771.48
CO	0.85	0.39	3.99
NOx (controlled) [2]	1.9	0.86	8.88
SOx	1.01 S	0.458 S	0.008
TOC	0.09	0.04	0.422
PM	0.1	0.05	0.469

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Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact linked to impacts through its business relationship)	(e.g. employees, community, suppliers, government, vulnerable groups)	What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?
At the office, usage of air conditioning (AC) systems that	Employees of Philodrill and personnel onboard	The Company regulates its AC systems to lessen its power consumption. Out of

<p>release chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HFCs) which are GHGs that trap heat and cause depletion of the ozone layer.</p> <p>Natural gases (i.e. methane (CH₄), ethane, propane, butane, and other heavier components), which are GHG and VOCs, produced in the Galoc field are flared out as these are not economical to be developed and also pose safety and health hazards (i.e. major blowout accident leading to destruction and fatality) if not attended properly.</p> <p>Flaring natural gases results to byproducts or GHGs such as CO, CO₂, VOCs, NOX, SOX, and other air pollutants</p>	the platform, and nearby communities	<p>twenty two (22) AC systems pre-installed in the office, only twelve (12) are regularly in operation during work hours (9:00- 16:00). These units are those near work desks occupied by the Company's employees. As an alternative, Management has opted to purchase AC systems with HFCs refrigerants instead of CFCs, since the former have lesser detrimental effects to the environment.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
<p>Emission of GHG into the environment. HFCs represent only a small portion of the total GHG emissions. However, they trap heat in the atmosphere as much as CO₂.</p> <p>Although flaring/burning of natural gases emits a number of pollutants in the environment, it is less hazardous as compared to venting which is directly releasing natural gases into the atmosphere. Large amounts of released natural gases/GHG may cause health hazards to the platform's crew and contribute to ozone destruction and global warming.</p>	Employees of Philodrill and personnel onboard the platform, and nearby communities	<p>Together with the reduced usage of AC units in the office, routine check and maintenance are also being implemented to ensure efficiency of the AC systems.</p> <p>To prevent major blowout accidents, flaring is favored by the management than venting off natural gases.</p>
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the Organization</i>		

<p>In the office, decrease environment impact and CO2 footprint by going electronic. Less electricity consumption brought about by the minimal use of AC units and the cost-effective performance resulting from the regular maintenance will lead to savings that can be allocated to other company expenses.</p> <p>At the site, proposal to use a device which could reduce the gas flaring is seriously being considered.</p>	Employees	<p>The Company is practicing energy conservation measures. Philodrill is implementing paperless approach to certain transactions to minimize paper consumption and CO2 emission during printing and photocopying. Although the abovementioned energy conservation measures can be considered basic with minimal effect to the environment, Philodrill believes that this effort will still be beneficial to the community and environment in the long run.</p>
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What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p>	<p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p>
<p>NOx, SOx, VOCs, and PMs are products of fuel combustion and ship emissions. These are released into the atmosphere and affect the ozone layer and contribute to global warming.</p> <p>In SC 14C-1, flaring of natural gases (i.e. methane (CH₄), ethane, propane, butane and other heavier petroleum components) results to by-products or air pollutants such NOx, SOx, VOCs, and PM. Ethane and propane are the most abundant non-methane hydrocarbon compounds found in natural gas.</p>	Employees onboard the platform, FPSO, and nearby communities	<p>In SC 14C-1 operations offshore, International Convention for the Prevention of Pollution from Ships (MARPOL) guidelines are strictly enforced.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p><i>Identify risk/s related to material topic of the organization</i></p>		

Abundant NOX and SOX released into the environment from ship emission/fossil fuel combustion causes acid deposition. These gaseous pollutants are the major components of acid rain and smog apart from its contribution to greenhouse effect and global warming. Although flaring/burning of gases emits certain pollutants in the environment, it is less hazardous as compared to venting which is directly releasing natural gases into the atmosphere. Large amounts of released natural gases may cause health hazards to the platform crew.	Employees onboard the platform, FPSO, and nearby communities	Strict implementation of the MARPOL guidelines to decrease ship emissions. FPSO/Ship engines are also properly maintained to avoid machine failures that could increase the ship's intake of fossil fuel which in turn leads to an increase in combusted fuel. The management opted to do gas flaring rather than venting to minimize health hazards and accidents.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>		
Strict compliance with the laws governing air and seas/water will enable the Company and Galoc JV to operate without interruption. Fines and penalties will also be avoided. A healthier and more conducive environment for the employees onboard the platform and FPSO.	Employees onboard the platform/FPSO and nearby communities	Strict compliance with the International Convention for the Prevention of Pollution from Ships (MARPOL) guidelines.

Effluents

<u>TYPE</u>	<u>YEAR 2024</u>	<u>WATER MANAGEMENT</u>		
		If contained in FPSO specify containment details		If discharged to the sea, specify the manner of discharge
		Water not considered as waste		
<u>Produced formation water</u>	133,416.35 (21,210.87 m3)	Stored in Slop Tank (Oily Water Tank) a: 143.20 bbls (22.77 m3)	Diverted to Cargo Tank (as part of crude product)a: 420.15 bbls (66.80 m3)	Discharged Overboard b :132,853.00 (21,121.30 m3)
		Re-processed Produced Formation Water* : NA		

Wash water (vessel washings)	0.25 m3/day x 366 days = 91.50 m3	Contained in slop tank (oily water tank)*	
Cooling Water for the Engine Room	6,000 m3/day x 366 days = 2,196,000 m3	--	Subsea discharge
Cooling Water for Process Area	8,400 m3/day x 309.06 days = 2,596,104 m3	--	Overboard discharge
<p>*Produced water with >15 ppm oil content is either diverted to the cargo tank (if oil content is very high) and/or directed to the oily water tank (slop tank). In due time, oil in the slop tank separates and floats on top of the water layer. The relatively oil-free water is flowed to the clean water slop tank and is re-processed for overboard disposal, while the accumulated oil is flowed to the cargo tank (as part of crude product). b Produced water that is discharged overboard has less than 15 ppm oil content as tested on board. An alarm system or a full-time technician diverts the produced water to the slop tank if oil content is greater than 15 ppm</p>			

Disclosure	Quantity	Units
Total volume of water discharges	21,121.30	Cubic meters
Percent of wastewater recycled	N.A.	%

*Note that majority of waste water produced from extraction of crude oil was treated before discharging overboard based on the accepted level of effluents set by the international standards and EMB.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<p>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</p> <p>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</p>	<p>(e.g. employees, community, suppliers, government, vulnerable groups)</p>	<p>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</p>
<p>Offshore International and National Guidelines for Wastewater Discharges to the surface and bottom of the sea should be followed, as to control pollution and to have minimal impact to the marine environment and ecosystem. Maximum defined contamination levels should be followed.</p>	<p>Personnel at the platform, Fishermen, and Community</p>	<p>In offshore petroleum operations of the Company, subsidiaries, and JV partners, the International Convention for the Prevention of Pollution from Ships (MARPOL) guidelines are strictly enforced.</p>
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<p>Identify risk/s related to material</p>		

<i>topic of the organization</i>		
The effluents with oil and other toxic waste contents exceeding the acceptable amount set by the MARPOL guidelines will contaminate the sea and sea bottom. This will cause damage to marine flora and fauna and can possibly cause related health implications to the community.	Personnel at the platform, Fishermen, and Community	Strict implementation of safety and environmental standards of the JV consortium. In case of untoward incidents, mitigation procedures are in place. At the FPSO vessel and platforms, produced water is analyzed and discharged overboard if it has less than 15 ppm of oil content. If the produced water exceeds the 15 ppm allowable limit, procedures under the Oil Spill Contingency Plan are carried out to treat the water before disposal.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>		
Some produced formation water or effluent is being reprocessed and used onboard.	Marine crew at the FPSO, Fishermen, and Community	Reprocessed or treated water discharges onboard by Galoc consortium can be utilized for other general purposes in the vessel or platform.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	Php
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
<i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>	<i>(e.g. employees, community, suppliers, government, vulnerable groups)</i>	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>
Philodrill is serious in complying with Environmental Laws and Policies	Employees and Community adjacent or within the SCs	Philodrill acquired CNC/PCC from EMB-DENR to cover its exploration activities, as well as SEPC from PCSD as follows: 1. Service Contract 14 C-1 – Galoc

		<ul style="list-style-type: none"> • Strategic Environment Plan Clearance issued by PCSD and concurred by DENR for the Galoc Field Area Development Project on December 15, 2016 • Environmental Compliance Certificate issued by DENR (signed by Sec. Angelo Reyes) on August 30, 2006. The ECC coverage specified the “Oil Development and Production of Galoc and Octon Fields” <p>2. Service Contract 14 C-2 – West Linapacan</p> <ul style="list-style-type: none"> • Strategic Environment Plan Clearance issued by PCSD and concurred by DENR • Environmental Compliance Certificate issued by DENR <p>3. Service Contract 53 – Onshore Mindoro</p> <ul style="list-style-type: none"> • Certificate of Non-Overlap of any Ancestral Domain/Land of Indigenous Cultural Communities issued by the National Commission on Indigenous People (NCIP) Region 1V on September 22, 2014
What are the Risk/s Identified?	Which stakeholders are affected?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>		
Non-compliance with environmental laws and regulations might lead to imposition of penalties and fines, or even to the extent of cancellation of the SC	Employees and Company	The Company continues strict adherence to environmental laws and regulations.
What are the Opportunity/ies Identified?	Which stakeholders are affected?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>		
Philodrill management consistently maintains an environmentally, ergonomically, and legally compliant operations	Employees and Community	The Company adheres strictly to environmental laws and regulations.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees ¹⁸	21	#
a. Number of female employees	11	#
b. Number of male employees	10	#
Attrition rate ¹⁹	9.30%	rate
Ratio of lowest paid employee against minimum wage	1.71%	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	18.18%	11.11%
PhilHealth	Y	18.18%	11.11%
Pag-ibig	Y	9.09%	0%
Parental leaves	Y	-	-
Vacation leaves	Y	100%	100%
Sick leaves	Y	63.64%	22.22%
Medical benefits (aside from PhilHealth)	Y	100%	100%
Housing assistance (aside from Pag-ibig)	N	-	-
Retirement fund (aside from SSS)	Y	9.09%	0
Further education support	Y	-	-
Company stock options	Y	-	-
Telecommuting	Y	-	-
Flexible-working Hours	Y	18%	70%
(Others)			

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p>

Provides assistance in facilitating and processing of the applications. The Company ensures regular and timely remittance of the employee's monthly premiums. Philodrill provides assistance to employees in facilitating and processing of the applications when availing other SSS and Pag-Ibig benefits.	The Company considers its people its greatest asset. Employees are provided with benefits packages (i.e. Maternity Benefit, Sickness Benefit and, Salary Loans) along with a wide range of learning and professional development opportunities to help them achieve their full potential. Benefits provided for the employees are as follows: 1. Base Salary; 2. Medical Coverage for Employees and their spouses and dependents; 3. Employees' Annual Medical Check-Ups and HMO; 4. Life and Accident Insurance; 5. Educational assistance; 6. Annual Vacation Leave – 15 days; 7. Annual Sick Leave – 15 days; and 8. Other allowances (transportation, rice, mobile phone). The Company also promotes work-life balance and the welfare of the employees. Philodrill advocates the rights of female workers in the office without bias and discrimination. Additionally, the Company adheres to the Magna Carta of Women (RA 9710) and Solo Parent Welfare Act of 2000 (RA 8972).
What are the Risk/s Identified?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>	
Non-adherence to providing benefits mandated by the government is a violation of the law and will subject the Company to civil and criminal liabilities in addition to revocation of license to operate.	All employees enter into labor contracts for legal employment with the Company. The Company exercises check-and-balance practices to ensure that various policies are properly implemented.
What are the Opportunity/ies Identified?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>	
The Company is considering telecommuting or work from home arrangements. Work from home arrangement decreases operational expenses of the Company and increases employees' work efficiency.	The Company prioritizes management of its employees to ensure that it maintains a high performing workforce that is at par with the best in the industry.

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees		hours
b. Male employees	32	hours
Average training hours provided to employees		
a. Female employees		hours/employee
b. Male employees	16	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i>	<i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i>
<p>Philodrill exerts effort to attract, motivate, develop and retain the best local talent and equip our people with the right skills for the future. The Company's performance and ability to thrive in this environment depend on it.</p> <p>The onshore and offshore petroleum competency requirement is complex and requires high standard of safety and proficiency. Philodrill believes that its employees are the main asset of the Company and continuous training and development should be implemented.</p>	<p>Technical personnel are attending SEAPEX meetings/seminars both local and abroad, as well as annual Philippine Geological Conferences. A Basin Analysis training course was attended by a Philodrill geologist, together with other geoscientists from local petroleum operators. HSSE trainings such as First Aid and Basic Life Saving Trainings are attended by assigned personnel every two years.</p> <p>Earthquake and fire drills are also implemented by the Company</p>
What are the Risk/s Identified?	Management Approach
<i>Identify risk/s related to material topic of the organization</i>	
Globally, the petroleum industry is experiencing a downturn, which caused a slowdown in overall operations and sustenance of personnel training and development.	The training and development budget will be realigned in response to the oil price crash. Our personnel are encouraged to take advantage of free webinar courses provided by technical experts.
What are the Opportunity/ies Identified?	Management Approach
<i>Identify the opportunity/ies related to material topic of the organization</i>	
While petroleum operations are slowing down, the Company should take this opportunity to avail of training which is much cheaper if done locally with other petroleum operators. Also, online trainings are cheaper as they will not require travel and accommodation costs. HSSE trainings should be attended by all personnel with different definitions of safety standards.	<p>Cooperation with other Petroleum Exploration Companies in organizing an international training course but is conducted locally.</p> <p>First aid training by the Red Cross should be attended by employees. The Company looks for opportunities for inexpensive local or online training if available.</p> <p>Additionally, technical personnel are participating on free online courses offered by petroleum experts.</p>

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	11	52.38%
% of male workers in the workforce	10	47.62%
Number of employees from indigenous communities and/or vulnerable sector*	N.A.	#

*Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</p> <p>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</p> <p>Company activities such as hiring, promotion, and compensation are conducted without regard to race, color, ethnicity, religion, national origin, gender, gender identity or expression, sexual orientation, marital status, dependents, genetics, disability, age, social class, or political views.</p>	<p>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</p> <p>The management of Philodrill is committed to respecting people's differences and creating an inclusive workplace culture. It does not tolerate any kind of harassment or prejudice. In order to respect and value the diversity of the employees and all with whom the Company do business, managers are required to ensure that the working environment is free from any form of harassment and discrimination. Philodrill advocates the rights of female workers in the office without bias and discrimination. Additionally, the Company adheres to the Solo Parent Welfare Act of 2000 (RA 8972) and the Magna Carta for Disabled Persons (RA 7277). The company's board diversity policy can be found in the Company's website through this link: https://philodrill.com/wp-content/uploads/2024/11/Diversity-Policy.pdf</p>
What are the Risk/s Identified?	Management Approach
<p>Identify risk/s related to material topic of the organization</p> <p>The Company has not identified any violation relating to diversity and equal opportunity.</p>	
What are the Opportunity/ies Identified?	Management Approach
<p>Identify the opportunity/ies related to material topic of the organization</p> <p>As at December 31, 2024 the Company has 21 employees comprising 11 females and 10 males. The Company will continue to encourage: - greater female participation; and - executive senior professional employees to look for mentoring opportunities for more junior employees to gain valuable insights into</p>	<p>The Company will continue to promote inclusiveness to help break down barriers and reduce the fear of being rejected, not only for who the employees are, but also for the ideas they voice. Continuous hiring of both local and foreign consultants for the company's exploration</p>

the Company and the oil & gas industry, generally. Diversity creates goodwill within the community and within the industry.	projects.
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Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	192,784	Man-hours
No. of work-related injuries	3	#
No. of work-related fatalities	none	#
No. of work related ill-health	none	#
No. of safety drills	79	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
<p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p>	<p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p>
<p>The Company and its Subsidiaries consistently foster a safe working environment. Philodrill implements employee health and safety measures and training programs that protect people from occupational hazards by preventing injury, illness, and fatality.</p>	<p>The Company strictly complies with all relevant occupational health and safety laws and regulations. Philodrill aims to achieve a zero injury and fatality rate for its entire staff. Same is true with offshore operations of subsidiaries, which adhere to international HSSE policies.</p> <p>At the work site, first aid kits and fire extinguishing equipment are conspicuously located and properly maintained. To ensure emergency preparedness, staff participates in regular fire and earthquake evacuation drills. Regular first aid and lifesaving trainings are being attended by assigned safety officer at the office.</p>
What are the Risk/s Identified?	Management Approach
<p><i>Identify risk/s related to material topic of the Organization</i></p>	
<p>No fatal cases, occupational injuries or incidents were recorded during the year at the office as well as in the field. Failure to manage workplace safety would negatively impact employee health and productivity.</p>	<p>The Company enforces occupational health and safety protocols for the benefit of the employees, contractors, and host communities.</p>
What are the Opportunity/ies Identified?	Management Approach
<p><i>Identify the opportunity/ies related to material topic</i></p>	

<i>of the organization</i>	
By properly managing and implementing health and safety trainings, employees and contractors can handle their jobs safely for the benefit of the organization and all stakeholders. The Company aims to be up-to-date with current best practices in HSSE.	The Company will continue to provide the necessary equipment, training, and resources to enable employees and contractors to work safely. Philodrill will consistently encourage and empower employees by letting them attend safety trainings and retake training sessions, if necessary, to refresh their memory.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Oil & Gas Exploration & Production	Economic growth	Environmental damage associated with field operations.	Strict compliance to government laws and regulations on health and environmental safety.
Oil & Gas Exploration & Production	Decent work	Health & Safety	Conduct IEC campaign prior to the fieldwork.
Oil & Gas Exploration & Production	Welfare of vulnerable groups	Traditional lifestyle of indigenous people are affected	Careful planning, consultation management, accommodation and negotiation with the local community and indigenous groups.

* None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.