

Dear Fellow Employees,

We at Petron Malaysia adhere to our core values of customer focus, teamwork, innovation, commitment to excellence, safety and integrity to realize our company's vision and mission – To be the leading provider of total customer solutions in the oil sector and its allied businesses.


These values define us as an organization and set us apart from competition. We place a premium in the manner we conduct ourselves and every aspect of our operations to achieve our business objectives. Thus, we need to have a good understanding of these values and supporting policies so we can conduct ourselves with integrity and in a professional manner.

With this in mind, I encourage each of you to take time to read and understand our policies in this Standards of Business Conduct booklet. The policies contained in this booklet will guide all of us as we conduct our daily business.

In case you have questions or are unsure of these policies, please make sure to discuss these with your superiors or fellow employees for clarification. We enjoin all managers and supervisors to discuss these guidelines so that we are all reading from the same page, so to speak, and ensure that we comply with these policies at all times.

I do hope that we are all in agreement and understand the importance of these policies as we grow our company in a profitable and sustainable manner. Our strong commitment to the highest ethical standards in everything we do is crucial to our success as we bring Petron Malaysia to greater heights!

Thank you for your support!


Ramon S. Ang
Chairman and CEO



GUIDING PRINCIPLES

Our vision is to be the leading provider of customer solutions in the oil sector and allied businesses. To that end, we must continuously to delight our customers, achieve superior financial and operating results while simultaneously adhering to high ethical standards.

The following principles serve as guide on relationships with our shareholders, customers, employees, and communities:

- **Shareholders** - We are committed to enhancing the long term value of the investment dollars entrusted to us by our shareholders. By running the business profitably and responsibly, we expect our shareholders to be rewarded with superior returns. This commitment drives the management of our Company.
- **Customers** - Success depends on our ability to consistently satisfy ever changing customer preferences. We commit to be innovative and responsive, while offering high quality products and services at competitive prices.
- **Employees** - The exceptional quality of our workforce provides a valuable competitive edge. To build on this advantage, we will strive to hire and retain the most qualified people available and to maximize their opportunities for success through training and development. We are committed to maintaining a safe work environment. We will promote teamwork within and across functions enriched by diversity and characterized by open communication, trust, and fair treatment.
- **Communities** - We commit to be a good corporate citizen in all the places we operate worldwide. We will maintain high ethical standards, obey all applicable laws, rules, and regulations, and respect local and national cultures. Above all other objectives, we are dedicated to running safe and environmentally responsible operations.

The Company aspires to be at the leading edge of competition in every aspect of our business. That requires the Company's resources -- financial, operational, technological, and human -- to be employed wisely and evaluated regularly.

While we maintain flexibility to adapt to changing conditions, the nature of our business requires a focused, long term approach. We will consistently strive to improve efficiency and productivity through learning, sharing, and implementing best practices. We will be disciplined and selective in evaluating the range of capital investment opportunities available to us. We will seek to develop proprietary technologies that provide a competitive edge.

We aspire to achieve our goals by flawlessly executing our business plans and by adhering to these guiding principles and the foundation policies that follow.



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1.0) CUSTOMER RELATIONS POLICY

The Company recognizes customer satisfaction is of primary importance to its success. Mindful of its responsibility to the consumers it serves directly and the customers who resell its products, the Company strives to understand their requirements and concerns and to merit their business by responding effectively to their needs.

Specifically, the Company's policy is to:

- Meet customer needs under all reasonable circumstances;
- Furnish services that reliably meet responsible standards of performance, efficiency, and courtesy;
- Furnish accurate and sufficient information about its products and services, including details of guarantees and warranties, so that customer can make informed purchasing decisions;
- Require truth in advertising and other communications.

In addition, where the Company's products reach the ultimate consumer through independent parties, such as service station dealers and distributors, the Company's policy is to actively encourage such parties to achieve standards comparable to those which have been established for the Company's own performance.

Administrative Owner
Retail & Commercial Sales

2.0) QUALITY POLICY

The Company is committed to sustain business excellence and consistently improve shareholder value by providing

- Products and services that delight and secure the loyalty of customers
- A working environment that reflects quality a way of life of our employees
- Continually improving the effectiveness of our quality systems

The quality standards should at least meet the required national and applicable international standards.

3.0) DEALERS AND SUPPLIERS PARTNERSHIP POLICY

The Company will deal openly and honestly with its customers, dealers, suppliers, contractors, financial institutions and joint venture participants.

The ability to effectively promote the integral elements of the Company's business principles and code of ethics in these relationships must be weighed as an important factor in the decision to pursue, enter into, or remain in such relationship.

Transactions with dealers, contractors, vendors and suppliers must be carried out on an arms-length basis. Conditions should exist for competitive, willing buyer and willing seller transactions. Competitive bidding should be used whenever required by the Contracts Manual. Decisions should be made on the basis of quality, price, availability and service. All dealers, contractors, vendors and suppliers should be dealt with fairly, honestly and openly. In addition, if the representative of any dealer, contractor, vendor or supplier is a former employee, family member or close personal friend, the Company representative should disclose the information to his supervisor and Conflict of Interest Committee.

Personal relationships are an inherent aspect of doing business. The development of personal relationships is both expected and desirable as it leads to relationships based on understanding and trust. Business decisions must not be influenced by anything other than what is in the best interest of the Company. It is important that all employees closely monitor the nature of relationships with dealers, contractors, vendors and suppliers to ensure that personal friendships do not develop that would result in decisions not in the Company's best interest.

*Administrative Owner
Retail & Commercial Sales
Procurement / Supply & Distribution*

4.0) SAFETY, HEALTH, ENVIRONMENT and SECURITY POLICY

We at Petron Malaysia are fully committed to conducting our operational activities in a manner that preserves the environment, protects the safety, health and security of our employees, customers, suppliers, contractors, and the general public at all times. We believe that a safe, healthy and environment friendly operations are key to the long-term sustainability of our business.

Consistent with our belief :

- We commit to comply with all government regulations related to the promotion of occupational health, safety and the preservation of the environment;
- We will adopt appropriate operational control procedures, provide the necessary resources and visible management support, and involve our stakeholders in all related endeavors;
- We will identify and control potentially adverse safety, health and environment effects in the planning and development of products; and
- We will continue to reinforce the importance of security and implement appropriate security measures wherever applicable at our facilities.

To ensure that we live up to all these commitments :

- We will put into place stringent goals and targets against which we will measure our performance; and
- We will implement strategies to continually improve the way we conduct our business.

Administrative Owner
Corporate SSHE

5.0) CORPORATE CITIZENSHIP

The Company is committed to be a good corporate citizen not only by complying with all relevant laws and regulations but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates with the objective of enhancing their quality of life. The Company would also encourage volunteerism amongst its employees. An employee shall in his private life be free to pursue an active role in civic affairs as long as they do not adversely affect the business or interest of the Company.

*Administrative Owner
Corporate Affairs*

6.0) EQUAL EMPLOYMENT OPPORTUNITY POLICY

It is the policy of the Company to provide equal employment opportunity in conformance with any applicable local laws, regulations and Malaysian Government policy (GOM Policy) in place from time to time to Malaysian nationals, regardless of gender, who are qualified to perform job requirements. The Company administers its personnel policies, programs, and practices in conformance with any such applicable laws, regulations and GOM Policy in all aspects of the employment relationship, including recruitment, hiring, work assignment, promotion, transfer, termination, wage and salary administration, and selection for training.

Managers and supervisors are responsible for implementing and administering this policy, for maintaining a work environment free from unlawful discrimination, and for promptly identifying and resolving any problem area regarding equal employment opportunity.

In addition to providing equal employment opportunity as set above, it is also the Company's policy to undertake in conformance with applicable local laws, regulations and GOM Policy, special efforts to:

- develop and support educational programs and recruiting sources and practices that facilitate employment of Malaysian nationals, regardless of gender;
- develop and offer work arrangements that help to meet the needs of the diverse work force in balancing work and family obligations;
- establish company training and development efforts, practices, and programs that support diversity in the work force and enhance the representation of Malaysian nationals, regardless of gender throughout the Company;
- foster a work environment free from sexual, racial, or other harassment;
- make reasonable accommodations that enable qualified disabled individuals to perform the essential functions of their jobs;
- emphasize management responsibility in these matters at every level of the organization.

Individuals who believe they have observed or been subjected to prohibited discrimination should immediately report the incident to their supervisor, higher management, or their designated Human Resources Department contact. Complaints will be investigated and handled as confidentially as possible.

Individuals will not be subjected to harassment, intimidation, prohibited discrimination or retaliation for exercising any of the rights protected by this policy.

Administrative Owner
Human Resource

7.0) ETHICS AND BUSINESS INTEGRITY POLICY

The policy of the Company is to comply with all governmental laws, rules, and regulations applicable to its business.

The Company's Ethics policy does not stop there. Even where the law is permissive, the Company chooses the course of highest integrity. Local customs, traditions, and mores differ from place to place, and this must be recognized. But honesty is not subject to criticism in any culture. Shades of dishonesty simply invite demoralizing and reprehensible judgments. A well-founded reputation for scrupulous dealing is itself a priceless corporate asset.

The Company cares how results are obtained, not just that they are obtained. Directors, officers, and employees should deal fairly with each other and with the Company's suppliers, customers, competitors, and other third parties.

The Company expects compliance with its standard of integrity throughout the organization and will not tolerate employees who achieve results at the cost of violation of law or who deal unscrupulously. The Company's directors and officers support, and expect the Company's employees to support, any employee who passes up an opportunity or advantage that would sacrifice ethical standards.

It is the Company's policy that all transactions will be accurately reflected in its books and records. This of course, means that falsification of books and records and the creation or maintenance of any off-the-record bank accounts are strictly prohibited. Employees are expected to record all transactions accurately in the Company's books and records, and to be honest and forthcoming with the Company's internal and independent auditors.

The Company expects candor from employees at all levels and adherence to its policies and internal controls. One harm which results when employees conceal information from higher management or the auditors is that other employees think they are being given a signal that the Company's policies and internal controls can be ignored when they are inconvenient. That can result in corruption and demoralization of an organization. The Company's system of management will not work without honesty, including honest bookkeeping, honest budget proposals, and honest economic evaluation of projects.

It is the Company's policy to make full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with government or regulatory bodies, and in other public communications. All employees are responsible for reporting material information known to them to higher management so that the information will be available to senior executives responsible for making disclosure decisions.

7.1 Conflicts of Interest & Directorship

It is the policy of the Company that directors, officers and employees (hereafter termed employees) shall not engage in any business relationship or activity, which might detrimentally conflict with the interest of company. A conflict of interest, actual or potential, may arise where, directly or indirectly,

- a) an employee engages in a business relationship or activity with anyone who is party to a transaction with the Company,
- b) an employee is in a position to derive a personal benefit or a benefit to any of his relatives by making or influencing decisions relating to any transaction,
- c) an independent judgment of the company's best interest cannot be exercised, and
- d) an employee with close relative(s) employed by another oil company.

It is incumbent upon employees to make full disclosure of any interest which they, their immediate family or dependent member of their families, may have in the company. If they fail to make a disclosure as required and the management on its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed, management would take a serious view of the matter and consider suitable disciplinary actions against them.

Any employee shall not, without the prior approval of their superior and Country Manager, accept a position of responsibility (such as a consultant or director) with any other company, nor provide 'freelance' services to anyone.

7.2 Business Entertainment, Gifts & Gratuities

The purpose of business entertainment and gift in a commercial setting is to create goodwill and sound working relationships, not gain unfair advantage with customers, suppliers, dealers, contractors, vendors, etc.

It is generally prohibited to solicit or accept loans, preferential discounts, extended credits, gifts, gratuities, remuneration, commissions, valuable privileges, vacations or trips, entertainment, other treatment special or excessive/extravagant in nature from a person or organization that might influence, or appear to influence an employee or officer in the performance of his duties; to favor a dealer, contractor, supplier, vendor or competitor against the best interest of the Company.

Lending money to, or borrowing money from, any customer, dealers, contractor, vendor or supplier is strictly prohibited. Under no circumstances can employees accept or give gifts in monetary form.

However, the Company and its employees may accept and offer meals and entertainment where business is conducted, such as recreational sporting or theatrical events, that are of reasonable value considering the nature of the event and/or frequency of occasion; and advertising or promotional materials, such as pens, note pads, calendars, paper weights, and other items of nominal value and are of commemorative nature for special events.

Any gift or gratuity must have a clear business purpose. If employees are concerned about the nature of a gift or gratuity offered or requested, offer should be declined and advice sought by the employee from any of his superiors.

There may be occasions where Petron, as a Company solicits certain items from other persons or organization in support of special company sponsored events. In these

circumstances, solicitations may only be made if furtherance of the event and for no other reason. Moreover, all solicitations must be coordinated with the person or persons designated by the Country Manager to be responsible for coordinating the special events.

An employee who is offered or receives an inappropriate gift must refuse or return it in a tactful and dignified manner, advising the giver of the Company's policy that prohibits acceptance of such gifts.

7.3 Company Confidentiality

Employees must maintain the confidentiality of information entrusted to them by the Company or its customers or business partners, except when disclosure is approved by a duly authorized officer of the Company or required by laws, regulations or legal proceedings. Employees should consult the Law Department if they believe they have a legal obligation to disclose confidential information.

Confidential information includes all non-public business, financial, personnel or technical information, processes or systems, whether or not in electronic form, related to any portion of the Company's business operations that have been learned, generated or acquired during employment with the Company. The use of confidential or proprietary information or trade secrets that may be of use to competitors of the Company, or harmful to the Company or its customers or business partners, of disclosed are prohibited. Some examples of information which are considered confidential and proprietary include :

- Pricing
- Bid or quotation information
- Cost sheets
- Formulas and/or process information
- Design information
- Organizational plans, goals and strategies
- Profit information
- Asset information
- Wage and salary scales
- Personal information about employees, officers and directors
- Supply sources or supplier information
- Computer software programs

Employees should not solicit, receive or use any confidential or proprietary information or trade secrets belonging or relating to any supplier, vendor or contractor, consultant, former employee or other person or entity, except as may be lawfully received from the owner or an authorized third party.

No disclosure of any information that upon its release would be likely to affect an investors decision to purchase, sell or otherwise transfer any stock of the Company and/or would be likely to affect the market price of Company stock should be made. Examples include periodic earnings prior to press release, projections of future earnings or losses, pending proposed mergers, acquisitions, tender offers, sale of assets, changes in operations, changes in dividend policy or declaration of a stock split.

Each employee should endeavor to deal fairly with the Company's suppliers, contactors, competitors and other employees. None should take unfair advantage of anyone through manipulation, concealment or abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

7.4 Company Property

Employees are responsible for the protection of all Company corporate information and intellectual property such as inventions, copyrights, patents, trademarks and technology. As the Company may license intellectual property from other companies, employees must also ensure that property of this nature is protected in accordance with the agreements giving the Company the right to use the property.

Equipment, tools and materials, supplies, employee time and other Company resources are to be used only for Company's legitimate business interest. Company property must not be borrowed, loaned or disposed of, except in accordance with the appropriate Company policies.

i) Books and Records

The company shall prepare and maintain its accounts fairly, timely, accurately and reliably in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations in which the Company conducts its business affairs. Company books and records should be maintained in confidence, safeguarded from loss or destruction, and subject to internal/external control and audit procedures. All required information shall be accessible to company auditors and other authorized parties and government agencies.

There should be no willful omissions of any company transactions from the books and records, no advance income recognition and no hidden bank account and funds. Any willful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as violation of the Company Policy, apart from inviting civil or criminal action under the relevant laws.

Records should always be retained or destroyed in accordance to the Company's record retention policies. If an employee becomes aware of an imminent or ongoing investigation, audit or examination, that employee should retain all documents (including computer records) in his custody or control. The destruction or falsification of a document in order to impede a governmental investigation, internal or external audit or examination may lead to persecution for obstruction of justice.

ii) Company Assets

Company assets should not be misused but employed for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment or machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships with customers, dealers and suppliers etc. Company property (tangible or intangible) may be sold, loaned, used, given away or disposed of in accordance with the approvals manual. Company property must be safeguarded from loss, damage or theft. Abusing, destroying, damaging or defacing company property, tools, equipment or property of others is prohibited.

Company car service vehicles, computers and other equipment should be used with care and diligence as though they were the employees' own.

iii) Company Funds

Funds should be spent for valid business purposes only at prices representing the best value to the Company. Approval of payment should be obtained before funds are spent. All monies coming into one's possession in trust for the other persons or for the company such as escrows, advance for expenses, payments for products and/or services, fee advances and other like items should be properly accounted for, remitted to Company as early as possible and shall be administered in accordance with the required approvals authority.

iv) Company Products and Services

Each employee has an obligation to strengthen and protect the Company's trademarks. Likewise, everyone is expected to patronize the use of company products and services

v) Public Company Disclosure

Filings with, or submissions to, any relevant agency or any government institution must be accurate and timely and employee or officer may be called upon to provide necessary information to ensure that the Company's public reports are complete, fair and understandable

7.5 Compliance with Laws

All employees, and officers should know, respect and comply with the letter and spirit of applicable laws, rules and regulations of places in which the Company conducts its business or those applicable to the Company.

Administrative Owner
Finance

8.0) ALCOHOL AND DRUG USE POLICY

The Company is committed to a safe, healthy, and productive workplace for all employees. The Company recognizes that alcohol, drug, or other substance abuse by employees will impair their ability to perform properly and will have serious adverse effects on the safety, efficiency and productivity of other employees and the Company as a whole. The misuse of legitimate drugs, or the use, possession, distribution or sale of illicit or un-prescribed controlled drugs on company business or premises, is strictly prohibited and is grounds for termination. Use, distribution, or sale of alcoholic beverages on company premises is not allowed without prior approval of appropriate senior management. Being unfit for work because of use of drugs or alcohol is strictly prohibited and is grounds for termination of employment. While this policy refers specifically to alcohol and drugs, it is intended to apply to inhalants and all other forms of substance abuse.

The Company recognizes alcohol or drug dependency as a treatable condition. Employees who suspect they have an alcohol or drug dependencies are encouraged to seek advice and to follow appropriate treatment promptly before it results in job performance problems. Employee Health Advisory Program or medical professional staff will advise and assist in securing treatment. Those employees who follow approved treatment will receive disability benefits in accordance with the provisions of established benefit plans and medical insurance coverage consistent with existing plans.

No employee with alcohol or drug dependency will be terminated due to the request for help in overcoming that dependency or because of involvement in a rehabilitation effort. However, an employee who has had or is found to have a substance abuse problem will not be permitted to work in designated positions identified by management as being critical to the safety and well-being of employees, the public, or the Company.

Any employee returning from rehabilitation will be required to participate in a company-approved after-care program. If an employee violates provisions of the employee Alcohol and Drug Use policy, appropriate disciplinary action will be taken. Such action cannot be avoided by a request at that time for treatment or rehabilitation. If an employee suffering from alcohol or drug dependency refuses rehabilitation or fails to respond to treatment or fails to meet satisfactory standards of effective work performance, appropriate disciplinary action, up to and including termination, will be taken. This policy does not require and should not result in any special regulations, privileges, or exemptions from normal job performance requirements.

The Company may conduct unannounced searches for drugs and alcohol on company owned or controlled property. The Company may also require employees to submit to medical evaluation or alcohol and drug testing where cause exists to suspect alcohol or drug use, including workplace incidents. Unannounced periodic or random testing will be conducted when an employee meets any one of the following conditions: has had a substance abuse problem, or is working in a designated position identified by management, a position where testing is required by law, or a specified executive position. A positive test result or refusal to submit to a drug or alcohol test is grounds for disciplinary action, including termination.

Contractor, common carrier, and vendor personnel are also covered by paragraph one and the search provisions of paragraph five of this policy. Those who violate the policy will be removed from company premises and may be denied future entry.

In addition to the above policy, it is a requirement of the Company that all applicants accepting offers of regular employment must pass a drug test.

Administrative Owner

Human Resource

9.0) HARASSMENT IN THE WORKPLACE POLICY

It is the policy of the Company to prohibit any form of harassment in any company workplace. The objective of this policy is to provide a work environment that fosters mutual employee respect and working relationships free of harassment. The Company specifically prohibits any form of harassment by or toward employees, contractors, suppliers, or customers.

Under the Company's policy, harassment is any inappropriate conduct which has the purpose or effect of:

- creating an intimidating, hostile, or offensive work environment;
- unreasonably interfering with an individual's work performance; or
- affecting an individual's employment opportunity.

Harassment will not be tolerated. Forms of harassment include, but are not limited to, unwelcome verbal or physical advances and sexually, racially, or otherwise derogatory or discriminatory materials, statements, or remarks. All employees, including supervisors and managers, will be subject to disciplinary action up to and including termination for any act of harassment.

Individuals who believe they have been subjected to harassment should immediately report the incident to their supervisors, higher management, or their designated Human Resources Department contacts. All complaints will be promptly and thoroughly investigated.

Employees or supervisors who observe or become aware of harassment should immediately advise their supervisors, higher management, or their designated Human Resources Department contacts. No employee should assume that the Company is aware of a problem. All complaints and concerns should be brought to management's or the Human Resources Department's attention so that appropriate corrective steps can be taken.

No retaliation will be taken against any employee because he or she reports a problem concerning possible acts of harassment. Employees can raise concerns and make reports without fear of reprisal. Questions about what constitutes harassing behavior should be directed to the employee's supervisor or Human Resources Department contact.

Administrative Owner
Human Resource

10.0) ANTI-CORRUPTION POLICY

It is the policy of the Company that directors, officers, employees and third parties acting on its behalf are prohibited from offering or paying, directly or indirectly, any bribe to any employee, official, or agent of any government, commercial entity, or individual in connection with the business or activities of the Company. A bribe for purposes of this policy is any money, goods, services, or other thing of value offered or given with the intent to gain any improper advantage for the Company.

No director, officer, employee, or third party should assume that the Company's interest ever requires otherwise.

Administrative Owner

Legal

11.0) OPEN DOOR COMMUNICATION POLICY

The Company encourages employees to ask questions, voice concerns, and make appropriate suggestions regarding the business practices of the Company. Employees are expected to report promptly to management suspected violations of law, the Company's policies, and the Company's internal controls, so that management can take appropriate corrective action. The Company promptly investigates reports of suspected violations of law, policies, and internal control procedures.

Management is ultimately responsible for the investigation of and appropriate response to reports of suspected violations of law, policies, and internal control procedures. Internal Audit has primary responsibility for investigating violations of the Company's internal controls, with assistance from others, depending on the subject matter of the inquiry. The persons who investigate suspected violations are expected to exercise independent and objective judgment.

Normally, an employee should discuss such matters with the employee's immediate supervisor. Each supervisor is expected to be available to subordinates for that purpose. If an employee is dissatisfied following review with the employee's immediate supervisor, that employee is encouraged to request further reviews, in the presence of the supervisor or otherwise. Reviews should continue to the level of management appropriate to resolve the issue.

Depending on the subject matter of the question, concern, or suggestion, each employee has access to alternative channels of communication, for example, the Controller's Department; Internal Audit; the Human Resources Department; the Law Department; the Safety, Health and Environment Department; the Security Department; and the Treasurer's Department.

Suspected violations of law or the Corporation's policies involving a director or executive officer, as well as any concern regarding questionable accounting or auditing matters, should be referred directly to the General Auditor of the Corporation.

Employees wishing to make complaints without identifying themselves may do so by calling, or by writing to Audit Manager. All complaints concerning accounting, internal accounting controls, or auditing matters will be referred to the Audit & Controls Committee of the Company or the Audit Committee of the Board of Directors of the Corporation, as appropriate.

All persons responding to employees' questions, concerns, complaints, and suggestions are expected to use appropriate discretion regarding anonymity and confidentiality, although the preservation of anonymity and confidentiality may or may not be practical, depending on the circumstances. For example, investigations of significant complaints typically necessitate revealing to others information about the complaint and complainant. Similarly, disclosure can result from government investigations and litigation.

No action may be taken or threatened against any employee for asking questions, voicing concerns, or making complaints or suggestions in conformity with the procedures described above, unless the employee acts with willful disregard of the truth.

Failure to behave honestly, and failure to comply with law, the Company's policies, and the Company's internal controls may result in disciplinary action, up to and including separation.

No one in the Company has the authority to make exceptions or grant waivers to the Company's foundation policies. It is recognized that there will be questions about the application of the policies to specific activities and situations. In cases of doubt, directors, officers, and employees are expected to seek clarification and guidance. In those instances where the Company, after review, approves an activity or situation, the Company is not granting an exception or waiver but is determining that there is no policy violation. If the Company determines that there is or would be a policy violation, appropriate action is taken.

Administrative Owner
Human Resource

12.0) INFORMATION TECHNOLOGY POLICY

Computer, networking and electronic mail facilities and services are offered by Petron in support of the company's thrust to provide better service to its customers.

Users must not browse, access, copy, or change Company and private files without authorization, or change public files without authorization. Users must not attempt to modify the computer systems or software in any unauthorized manner. The use of invasive software, such as "worms" and "viruses" destructive to computer systems, is unethical and illegal. Copyrighted software must only be used in accordance with its license or purchase agreement. Users do not have the right to receive and/or use unauthorized copies of software, or make unauthorized copies of software for themselves or others.

Sending rude, obscene or harassing materials via any electronic means (e.g., electronic mail, bulletin boards, news groups, internet, text messages) is forbidden. Also disallowed are random mailings, chain letters and general mailing of messages of commercial, religious, or political nature. Messages of philanthropic content are allowed only if sanctioned by the Company.

Terminals, manuals, printed paper, and all other computer resources may not be used or removed from their intended locations, without authorized permission.

*Administrative Owner
Information Technology*

13.0) FAIR COMPETITION POLICY

The Company seeks to compete fairly and ethically within the framework of applicable competition laws in all aspects of business. The Company will not prevent others from competing freely with it.

Employee and officers must abide by anti-trust and other laws intended to ensure and maintain competition in the market place and deal with prohibited trade practices.

Any director, officer, or employee who has knowledge of conduct which he or she believes may violate any Competition Law or this Policy has an obligation, promptly after learning of such conduct, to bring the matter to the attention of his or her supervisor or Company's General Counsel.

Administrative Owner

Legal

14.0) POLITICAL ACTIVITIES POLICY

It is the policy of the Company to refrain from making contributions to political candidates and political parties, except as permitted by applicable laws and authorized by the Board of Directors.

It is the Company's policy to communicate information and views on issues of public concern that have an important impact on the Company.

The Company considers that registering and voting, contributing financially to the party or candidate of one's choice, keeping informed on political matters, serving in civic bodies, and campaigning and office holding at local, state, and national levels are important rights and responsibilities of the citizens of a democracy.

Directors, officers, and employees engaging in political activities are expected to do so as private citizens and not as representatives of the Company. Personal, lawful, political contributions and decisions not to make contributions will not influence compensation, job security, or opportunities for advancement.

The Company does not make payments or other contributions to political parties, organizations, or their representatives or take part in partisan politics.

However, when dealing with the national and local governments, the Company has the right and responsibility, in the pursuit of its legitimate commercial objectives, to make its positions known on any matters that affect Petron, its employees, its customers, or its shareholders. The Company also has the right make its position known on matters affecting community, where it has a contribution to make.

Where employees may be free to participate in the political process, any involvement should be kept separate from or not affect their role and responsibilities as Company employees. They must ensure that statements made in their political activities are clearly delivered as personal opinion and not likely to be construed as the Company's position.

The Company honors the information requirements of the public and its stake holders. In all its public appearance with respect to public constituencies such as the media, financial community, employees, shareholders and government agencies, the Company shall be represented only by specifically authorized personnel. It will be the sole responsibility of these authorized representatives to disclose the information on the company.

Parties which have business dealings with the Company Petron Corporation but are not members of the Company such as consultants, agents, distributors, dealers, contractors, haulers, suppliers, etc. are not authorized to represent Petron.

*Administrative Owner
Corporate Affairs*



