



CITGO Petroleum Corporation

P.O. Box 4689
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Date: April 2025
To: CITGO Petroleum Corporation Pension Plan Participants
From: HR Total Rewards
Subject: Annual Funding Notice

The Pension Protection Act (PPA), enacted in 2006, requires sponsors of defined benefit pension plans to provide plan participants with certain information about the funded status of their plan. CITGO Petroleum Corporation and its affiliated companies sponsor three defined benefit pension plans. You are a participant in one or more of these plans. The enclosed "Annual Funding Notice" meets the annual requirement. Before reviewing the Notice, it may be helpful for you to have some context for the information it includes. This cover memo should help you better understand the Funding Notice.

No Impact on Your Accrued Benefits

Your accrued benefits under your pension plan have not changed. If you are a retiree or beneficiary and are currently receiving benefits from the plan, those benefits will continue.

This Notice is *not* a notice of any intention of CITGO to change your benefits in any way. It is only to provide information to meet legal requirements.

Understanding the Annual Funding Notice

Defined benefit plans are designed to provide plan participants with a benefit at retirement based on the plan's formula. In order to ensure sufficient funds, exist to pay for these future retirement benefits, CITGO makes contributions to a trust fund and that money is set aside for plan benefits and invested based on established investment guidelines. The funding and investment policies are outlined in broad terms in the attached Notice. The timing of contributions is determined by federal guidelines. The amount of contributions is based on a review made by outside actuaries who look at both how much is in the trust (assets) and future obligations for benefits (liabilities).

On page 1 of the Notice, the "*How Well Funded Is Your Plan*" section discloses the Plan's assets and liabilities as of December 31, 2024. These values are calculated differently than those used to determine the Funding Target Attainment Percentages shown on the Supplement to Annual Funding Notice, which is used to determine the company's annual required contribution to the Plan.

Our Commitment to Your Plan Benefits

These values do not affect the amount of your pension benefit earned under the Plan. We want to assure you that we have every intention of continuing to fund our Plan as required by law.

The plans' funded status will fluctuate depending on interest rates, changes in assets, plan experience, and other factors. CITGO calculates its pension obligations at the end of each year based on standards used by accountants in the United States. On December 31, 2024, the obligations for CITGO's three pension plans were 101% funded in aggregate.

For More Information About Your Benefits

If you have any questions about these notices or your benefits in general, please contact the Benefits HelpLine by email at Benefits@citgo.com.

**Supplement to Annual Funding Notice
of CITGO Petroleum Corporation Salaried Employees' Pension Plan (Plan) for
Plan Year Beginning January 1, 2024, and Ending December 31, 2024 (Plan Year)**

This is a temporary supplement to your annual funding notice which is required by the Moving Ahead for Progress in the 21st Century Act, the Highway and Transportation Funding Act of 2014, the Bipartisan Budget Act of 2015, the American Rescue Plan Act of 2021, and the Infrastructure Investment and Jobs Act. These federal laws changed how pension plans calculate their liabilities. The purpose of this supplement is to show you the effect of these changes. Prior to 2012, pension plans determined their liabilities using a two-year average of interest rates. Now pension plans also must take into account a 25-year average of interest rates. This means that interest rates likely will be higher and plan liabilities lower than they were under prior law. As a result, your employer may contribute less money to the plan at a time when market interest rates are at or near historical lows.

The "Information Table" compares the impact of using interest rates based on the 25-year average (the "adjusted interest rates") and interest rates based on a two-year average on the Plan's: (1) Funding Target Attainment Percentage, (2) Funding Shortfall, and (3) Minimum Required Contribution. The funding target attainment percentage is a measure of how well the plan is funded on a particular date. The funding shortfall is the amount by which liabilities exceed net plan assets. The minimum required contribution is the amount of money an employer is required by law to contribute to a plan in a given year. The following table shows this information determined with and without the adjusted interest rates. The information is provided for the Plan Year and for each of the two preceding plan years, if applicable.

Information Table

	Plan Year Beginning in 2024		Plan Year Beginning in 2023		Plan Year Beginning in 2022	
	With Adjusted Interest Rates	Without Adjusted Interest Rates	With Adjusted Interest Rates	Without Adjusted Interest Rates	With Adjusted Interest Rates	Without Adjusted Interest Rates
Funding Target Attainment Percentage	100.50%	93.17%	100.52%	79.37%	108.62%	80.00%
Funding Shortfall	\$0	\$60,170,325	\$0	\$206,379,133	\$0	\$206,816,433
Minimum Required Contribution	\$20,513,024	\$31,180,491	\$19,619,935	\$44,640,796	\$0	\$42,941,349

Annual Funding Notice
For
CITGO Petroleum Corporation Salaried Employees' Pension Plan

Introduction

This notice includes important information about the funding status of your single-employer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes, and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning January 1, 2024, and ending December 31, 2024 ("Plan Year").

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded as of the last day of the Plan Year. The Plan divides its Plan Assets by Plan Liabilities to get this percentage. In general, the higher the percentage, the better funded the plan. The law prescribes certain assumptions used for this calculation. The Plan's funded percentage as of the last day of the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also shows you how the percentage was calculated. In the event of a plan termination, the PBGC's calculation of Plan Liabilities may be greater than those shown in the chart below. Refer to the "Summary of Rules Governing Termination of Single-Employer Plans" section of this notice for more information.

Funded Percentage

	December 31, 2024	December 31, 2023	December 31, 2022
1. Plan Assets	\$783,826,769	\$817,305,417	\$728,840,887
2. Plan Liabilities	\$812,532,392	\$815,682,928	\$816,645,040
3. Funded Percentage (1)/(2)	96.47%	100.20%	89.25 %

Plan Assets

Plan Assets in line 1 of the chart above are fair market values of the Plan's assets as of the last day of the Plan Year and two preceding plan years. Plan Assets shown for the two preceding plan years are the values reported on prior Annual Funding Notices, which were based on the most current information available at the time the prior notice was originally mailed. Because plan assets are permitted to include certain contributions made to the plan after the last day of the Plan year, as allowed by law, Plan asset values shown in this notice may differ from the final audited asset values shown in the Plan's Annual Report (Form 5500).

Plan Liabilities

Plan Liabilities in line 2 of the chart above is an estimate of the amount of assets the Plan needs as of the last day of the Plan Year to pay for promised benefits under the plan. These Plan Liabilities are determined using interest rates as prescribed by law.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and each of the two preceding plan years is shown in the chart below. The counts as of December 31, 2024 shown in the chart below are estimates and may change. Any changes will be reflected in next year's copy of this notice.

	December 31, 2024	December 31, 2023	December 31, 2022
Current employees	2,177	2,037	1,913
Retired and receiving benefits	2,786	2,693	2,696
Retired or no longer working for the employer and have a right to future benefits	862	838	797
Total number of participants	5,825	5,568	5,406

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The current funding policy of the Plan is to contribute no less than the minimum required by law and no more than the maximum deductible amount.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to manage the assets in order to fund the Plan's required benefit payments and expenses. An asset allocation study will be performed periodically to review whether the Plan's asset allocation remains appropriate for achieving the Plan's long-term objectives.

Under the investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Cash (interest-bearing and non-interest bearing)	0%
2. U.S. Government Securities	0%
3. Corporate Debt Instruments (other than employer securities):	
Preferred	0%
All Other	0%
4. Corporate Stocks (other than employer securities):	
Preferred	0%
Common	0%
5. Partnership/Joint Venture Interests	0%
6. Real Estate (other than employer real property)	0%
7. Loans (other than to participants)	0%
8. Participant Loans	0%
9. Value of Interest in Common/Collective Trusts	0%

Asset Allocations	Percentage
10. Value of Interest in Pooled Separate Accounts	0%
11. Value of Interest in Master Trust Investment Accounts	100%
12. Value of Interest in 103–12 Investment Entities	0%
13. Value of Interest in Registered Investment Companies (e.g., mutual funds)	0%
14. Value of Funds Held in insurance co. General account (unallocated contracts)	0%
15. Employer-Related Investments:	
Employer Securities	0%
Employer Real Property	0%
16. Buildings and Other Property Used in Plan Operation	0%
17. Other	0%

As of December 31, 2024, the target asset allocation for the master trust investment account in which the Plan's assets are invested is **42% equity, 43% fixed income, 14% real assets, and 1% other.**

For information about the Plan's investment in any of the following types of investments – common/collective trusts, pooled separate accounts, master trust investment accounts, or 103-12 investment entities – contact Secretary, Benefit Plans Committee at benefits@citgo.com or c/o CITGO Petroleum Corporation, 1293 Eldridge Parkway, Houston, TX 77077.

One measure of the Plan's asset performance is known as the average return on assets, which measures how much the underlying asset investments changed for reasons other than sponsor contributions, payment of participants' benefits, or plan expenses. For the most recent Plan Year, the average return on assets was 2.35%.

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1515, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefits. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where to Get More Information."

Summary of Rules Governing Termination of Single-Employer Plans

If a plan terminates, there are specific termination rules that must be followed under federal law. A summary of these rules follows.

There are two ways an employer can terminate its pension plan. First, the employer can end a plan in a "standard termination" but only after showing the PBGC that such plan has enough money to pay all benefits owed to participants. Under a standard termination, a plan must either purchase an annuity from an insurance company (which will provide you with periodic retirement benefits, such as monthly, for life or for a set period of time when you retire) or, if the plan allows, issue one lump-sum payment that covers your entire benefit. Your plan administrator must give you advance notice that identifies the insurance company (or companies) selected to provide the annuity. The PBGC's guarantee ends upon the purchase of an annuity or payment of the lump-sum. If the plan purchases an annuity for you from an insurance

company and that company becomes unable to pay, the applicable state guaranty association guarantees the annuity to the extent authorized by that state's law.

Second, if the plan is not fully-funded, the employer may apply for a distress termination. To do so, however, the employer must be in financial distress and prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Benefit Payments Guaranteed by the PBGC

When the PBGC takes over a plan, it pays pension benefits through its insurance program. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. Most participants and beneficiaries receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits that are not guaranteed.

The amount of benefits that PBGC guarantees is determined as of the plan termination date. However, if a plan terminates during a plan sponsor's bankruptcy, then the amount guaranteed is determined as of the date the sponsor entered bankruptcy.

The PBGC maximum benefit guarantee is set by law and is updated each calendar year. For a plan with a termination date or sponsor bankruptcy date, as applicable in 2025, the maximum guarantee is \$7,431.82 per month, or \$89,181.84 per year, for a benefit paid to a 65-year-old retiree with no survivor benefit. If a plan terminates during a plan sponsor's bankruptcy, the maximum guarantee is fixed as of the calendar year in which the sponsor entered bankruptcy. The maximum guarantee is lower for an individual who begins receiving benefits from PBGC before age 65 reflecting the fact that younger retirees are expected to receive more monthly pension checks over their lifetimes. Similarly, the maximum guarantee is higher for an individual who starts receiving benefits from PBGC after age 65. The maximum guarantee by age can be found on PBGC's website, www.pbgc.gov. The guaranteed amount is also reduced if a benefit will be provided to a survivor of the plan participant.

The PBGC guarantees "basic benefits" earned before a plan is terminated, which include:

- Pension benefits at normal retirement age;
- Most early retirement benefits;
- Annuity benefits for survivors of plan participants; and
- Disability benefits for a disability that occurred before the date the plan terminated or the date the sponsor entered bankruptcy, as applicable.

The PBGC does not guarantee certain types of benefits:

- The PBGC does not guarantee benefits for which you do not have a vested right, usually because you have not worked enough years for the company.
- The PBGC does not guarantee benefits for which you have not met all age, service, or other requirements.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.

- Early retirement payments that are greater than payments at normal retirement age may not be guaranteed. For example, a supplemental benefit that stops when you become eligible for Social Security may not be guaranteed.
- Benefits other than pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay, are not guaranteed.
- The PBGC generally does not pay lump sums exceeding \$7,000.

In some circumstances, participants and beneficiaries still may receive some benefits that are not guaranteed. This depends on how much money the terminated plan has and how much the PBGC recovers from employers for plan underfunding. If plan assets are determined to be sufficient to pay vested benefits that are not guaranteed by the PBGC, participants and beneficiaries may receive benefits in excess of the guaranteed amounts. This determination generally uses assumptions that result in a plan having a lower funded status as compared to the plan's funded status disclosed in the "How Well Funded Is Your Plan" section of this notice.

For additional general information about the PBGC and the pension insurance program guarantees, go to the "General FAQs about PBGC" on PBGC's website at www.pbgc.gov/generalfaqs. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information," below.

Where to Get More Information

For more information about this notice, you may contact Secretary, Benefit Plans Committee, at benefits@citgo.com, 1-888-443-5707, or c/o CITGO Petroleum Corporation, 1293 Eldridge Parkway, Houston, TX 77077. For identification purposes, the official plan number is 004 and the plan sponsor's name and employer identification number or "EIN" are CITGO Petroleum Corporation and 73-1173881. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).

Disclosure Statement and Disclaimer

This notice is intended to comply with the requirements of section 101(f) of the Employee Retirement Income Security Act of 1974, as amended. The disclosures provided in this notice are based on information available and believed to be accurate as of the date this notice is provided. All computations and estimates reflected in these disclosures have been performed based on a good faith interpretation of the applicable statutory and regulatory guidance in effect on the date this notice is provided. Such information, computations, and estimates include, but are not limited to, the measurement of plan liabilities, reported values of plan assets, participant counts, allocation of assets, and average return on assets. However, actual results for the Plan Year may change and will not be considered final until filed with the Department of Labor as part of the Annual Report (i.e., the Form 5500). Subsequently, such results will change only by amendment of the Annual Report for the Plan Year. See the Right to Request a Copy of the Annual Report section for information about how to obtain a copy of the Annual Report. The plan sponsor does not undertake any obligation to update or publicly release any revisions to this notice, and no such revisions will be issued, to reflect any changes, including but not limited to, changes in the manner in which particular calculations are performed, changes in expectations, the adoption of plan amendments or any other events or circumstances occurring after this notice is provided.