

Moving Forward with **Resilience**

Commitment to Governance

The PETRONAS
leadership
team and our
commitment to
good governance
practices.

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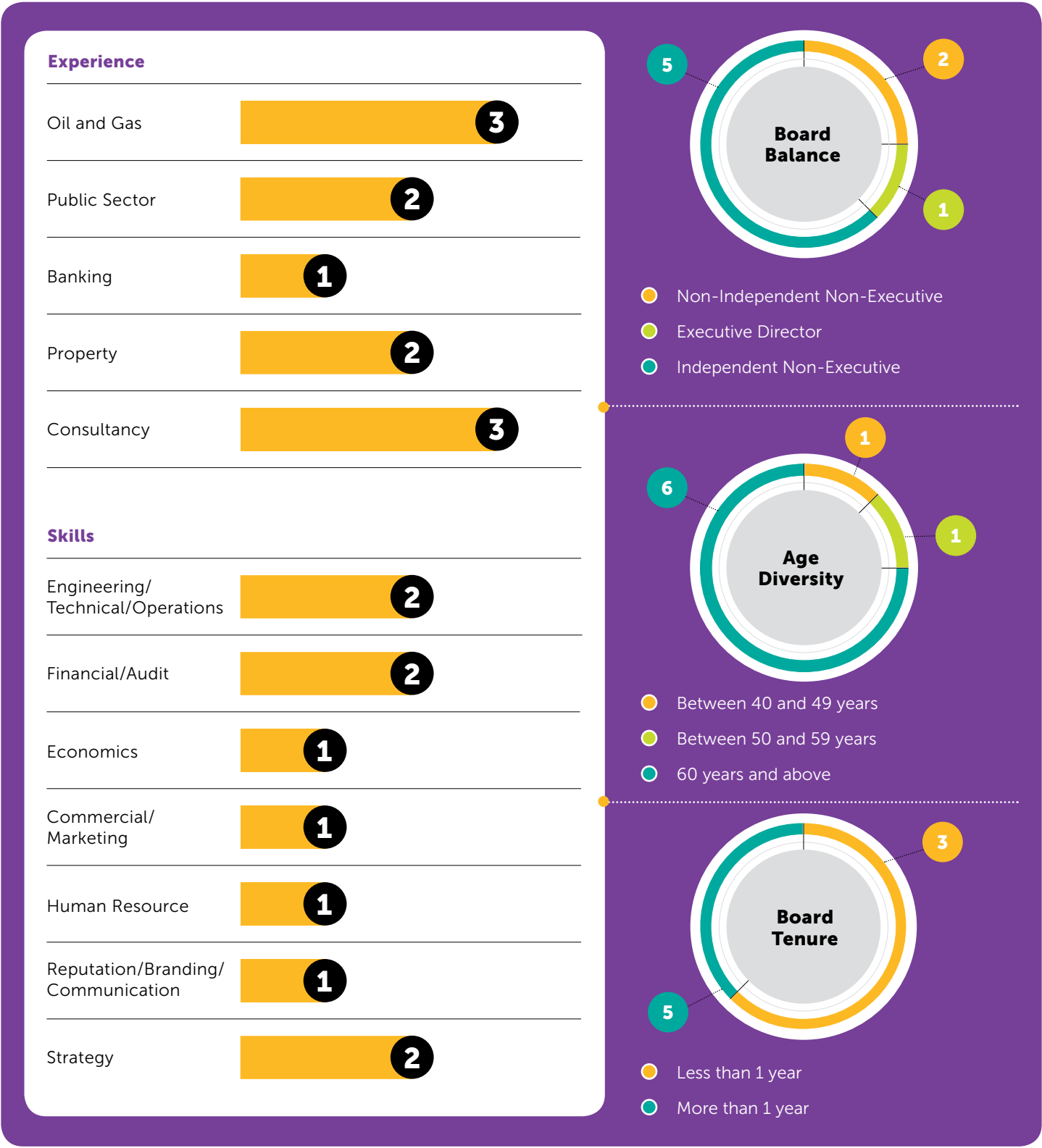


Board Composition

Lens 4
Responsible Governance

In support of SDGs:

Leadership and Governance



Profile of Board of Directors
As of 31 March 2021

Tan Sri Ahmad Nizam Salleh

Non-Independent
Non-Executive Chairman/
Director (NINED)

Age/Gender/
Nationality
65/Male/Malaysian

Date Appointed to
the Board
1 August 2018



Academic/Professional Qualifications

- Bachelor of Business Administration, Ohio University, USA
- Advanced Management Program, Wharton School, University of Pennsylvania, USA

Past Appointments/Experiences

- Joined PETRONAS in 1981
- Held various positions including analyst, planner and project coordinator in corporate planning and finance functions within PETRONAS' Corporate Head Office from 1981 to 1987
- Other key positions previously held within the Group
 - Head Project, Tender and Contract Division
 - Deputy Project Director of LNG 2 Project
 - Executive Assistant to the President/Chief Executive Officer
 - Senior General Manager, Crude Oil Group
 - Senior General Manager, Group Treasury
 - Managing Director/Chief Executive Officer of Malaysia LNG Group of Companies
 - Managing Director/Chief Executive Officer of Engen Petroleum Ltd, South Africa
 - Vice President, Corporate Services Division
 - Member of the PETRONAS Management Committee
 - Chairman of the PETRONAS Central Tender Committee
 - Chairman of the PETRONAS Risk Management Council
 - PETRONAS representative on the Boards of MISC Berhad, Putrajaya Holdings Berhad, Bintulu Port Holdings Berhad and other PETRONAS subsidiaries

Other Current Appointments

- Chairman of Yayasan PETRONAS
- Chairman of KLCC Property Holdings Berhad
- Chairman of KLCC (Holdings) Sdn Bhd
- Chairman of KLCC REIT Management Sdn Bhd
- Pro-Chancellor, Universiti Teknologi PETRONAS
- Member of National Employment Council (NEC)

Board Committee :



Member of Audit
Committee



Member of Risk
Committee



Member of Nomination and
Remuneration Committee



Chairman of
Committee

Tengku Muhammad Taufik

Executive Director,
President and Group
CEO

Age/Gender/
Nationality
47/Male/Malaysian

Date Appointed to
the Board
15 October 2018



Academic/Professional Qualifications

- Fellow of the Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants
- Bachelor of Arts (Honours) (Finance and Accounting), University of Strathclyde, United Kingdom

Past Appointments/Experiences

- Accumulated more than 20 years of experience in the fields of finance and business investment
- Experienced in strategic planning investment valuations, developing entry strategies for businesses and structuring fit-for-purpose funding requirements
- Areas of expertise include financial reporting, project analysis, feasibility reviews, capital projects structuring and risk management, with primary focus on the oil and gas industry
- Executive Vice President and Group Chief Financial Officer, PETRONAS
- Partner at PricewaterhouseCoopers (PwC) Malaysia
- Chief Financial Officer for two public listed companies, responsible for financial and management reporting, merger and acquisition activities, as well as developing and implementing key stakeholder engagement strategies
- Member of the Board of MISC Berhad
- Member of the Board of KLCC Property Holdings Berhad

Other Current Appointments

- Chairman of Audit Committee for East Coast Economic Region Development Council (ECERDC) and Northern Corridor Implementation Authority (NCIA)
- Chairman of National Trust Fund
- Council Member of ECERDC and NCIA
- Member of Asia-Pacific Economic Cooperation (APEC) Business Advisory Council (ABAC)
- Member of Board of Trustees of the Merdeka Award Trust
- Member of National Employment Council (NEC)
- Member of the Board of various PETRONAS companies
- Member of World Economic Forum (WEF) Industry Action Group and WEF Oil and Gas Governors Forum
- Chairman of CEO Action Network

Profile of Board of Directors
As of 31 March 2021

Ainul Azhar
Ainul Jamal

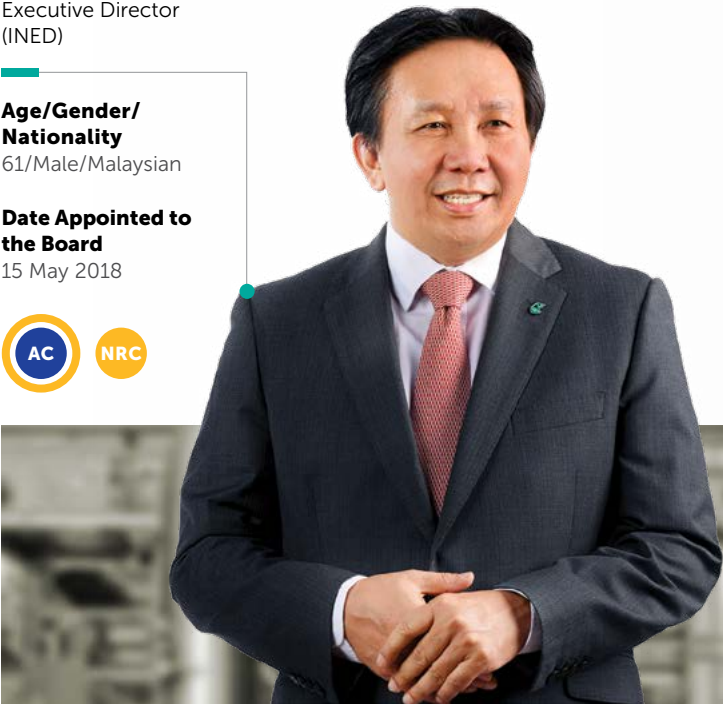
Independent Non-Executive Director (INED)

Age/Gender/
Nationality

61/Male/Malaysian

Date Appointed to
the Board

15 May 2018



Tan Sri Dato' Seri
Mohd Bakke Salleh

Independent Non-Executive Director (INED)

Age/Gender/
Nationality

66/Male/Malaysian

Date Appointed to
the Board

18 June 2019



Academic/Professional Qualifications

- Bachelor of Electrical Engineering, University of Sussex, United Kingdom
- Advanced Finance, IMD Lausanne, Switzerland
- Emerging Leaders Program, Daniel Business School, University of Denver, Colorado, United States of America

Past Appointments/Experiences

- Joined Schlumberger Limited in 1984. Spent over 32 years with Schlumberger with vast experience in oilfield services and technologies. Held various key positions around the world including:
 - Managing Director for Malaysia, Brunei, Philippines and Singapore
 - Reservoir Group HR Director
 - Treasurer of Schlumberger Foundation
 - Vice President Global Accounts
 - Chairman for Asia Pacific
- Held directorships at several private companies and was an Independent Non-Executive Director as well as Chairman of the Risk Committee at a public listed company in Malaysia.

Other Current Appointments

- Member of the Student Development Advisory Council, Universiti Teknologi PETRONAS, Malaysia

Board Committee :

Member of Audit Committee

Member of Risk Committee

Member of Nomination and Remuneration Committee

Chairman of Committee

Profile of Board of Directors
As of 31 March 2021

Dato' Razali
Mohd Yusof

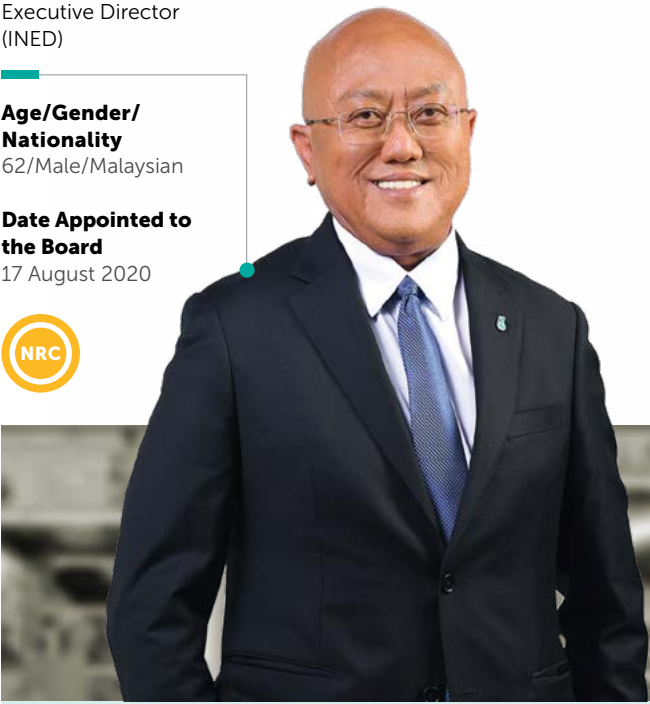
Independent Non-Executive Director (INED)

Age/Gender/
Nationality

62/Male/Malaysian

Date Appointed to
the Board

17 August 2020



Academic/Professional Qualifications

- Diploma in Petroleum and Natural Gas Engineering, University of Technology, Malaysia
- Bachelor of Science (Mining Engineering), University of Missouri, United States of America
- Master of Science (Engineering Management), University of Missouri, United States of America

Past Appointments/Experiences

- Held several key roles in private and multinational companies in Malaysia:
 - Director of Datasonic Group Berhad
 - Project Engineer/Project Manager, Pahang Investment & Industrial Co. Ltd
 - Operations Contract Engineer and Underwater Operations Engineer, Sarawak Shell Berhad
 - Managing Director/Shareholder, Sarku Engineering Services Sdn Bhd
 - Chairman/Shareholder, OMNI Petromaritime Sdn Bhd

Other Current Appointments

- Director of Intralink Properties Sdn Bhd
- Director of Urban Terrace Sdn Bhd
- Director of Bagus Tioman Sdn Bhd

Board Committee :

Member of Audit Committee

Member of Risk Committee

Zakiah Jaafar

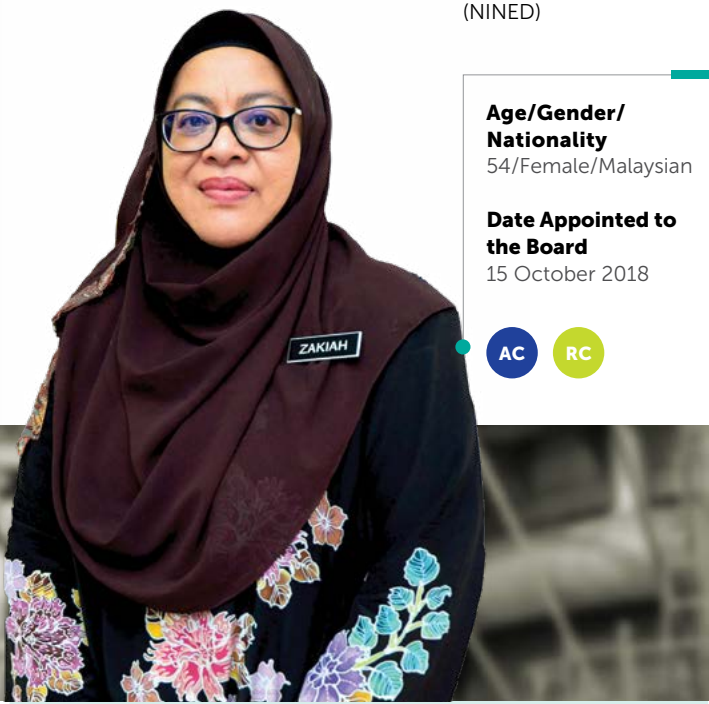
Non-Independent Non-Executive Director (NINED)

Age/Gender/
Nationality

54/Female/Malaysian

Date Appointed to
the Board

15 October 2018



Academic/Professional Qualifications

- Premier Executive in Advanced Development Programme, Razak School of Government, Canberra, Australia
- Advanced Management and Leadership Programme, University of Oxford, United Kingdom
- Postgraduate Diploma in Public Administration, National Institute of Public Administration (INTAN), Malaysia
- Master of Social Science (Economics), University of Birmingham, United Kingdom
- Bachelor of Science (Honours) (Economics), University of Warwick, United Kingdom

Past Appointments/Experiences

- Former Deputy Secretary General (Investment) for the Ministry of Finance, Malaysia, responsible for coordinating, monitoring and updating policies, regulations, Acts and strategies to government investment companies, statutory bodies, public assets and strategic public investments
- Former Deputy Secretary General (Macro) of the Ministry of Economic Affairs (MEA), responsible for the preparation of medium-and long-term macroeconomic framework for the Malaysian economy and also oversaw the policy directions for the manufacturing and services sectors; science, technology and innovation; environment economics as well as knowledge-based economy

Other Current Appointments

- Deputy Secretary General (Policy) for the Ministry of Finance, Malaysia
- Board Member of Pengurusan Aset Air Berhad
- Board Member of Employees Provident Fund
- Board Member of Bintulu Port Holdings Berhad

Board Committee :

Member of Audit Committee

Member of Risk Committee

Member of Nomination and Remuneration Committee

Chairman of Committee

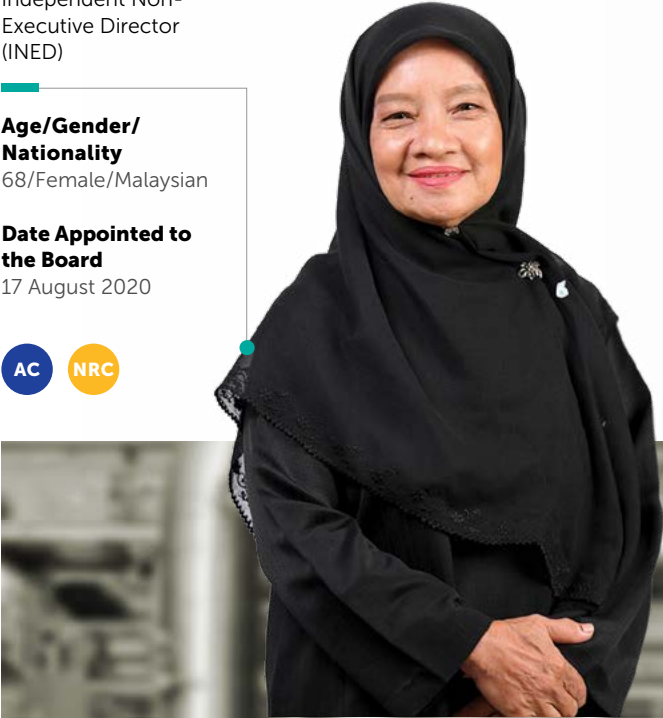
Profile of Board of Directors
As of 31 March 2021

Tan Sri Zaharah Ibrahim
Independent Non-Executive Director (INED)

Age/Gender/Nationality
68/Female/Malaysian

Date Appointed to the Board
17 August 2020

AC NRC



Academic/Professional Qualifications

- Bachelor of Laws (Honours) (LL.B), University Malaya

Past Appointments/Experiences

- Held key positions in the Judicial and Legal Services and the Judiciary in Malaysia:
 - Magistrate in Melaka
 - Director of Intellectual Property Division, Ministry of Domestic Trade and Consumer Affairs
 - State Legal Advisor, Selangor
 - Parliamentary Draftsman, Attorney General's Chambers of Malaysia
 - Judicial Commissioner, High Court of Malaya (Kuala Lumpur and Shah Alam)
 - High Court Judge, High Court of Malaya (Shah Alam and Kuala Lumpur)
 - Court of Appeal Judge, Court of Appeal, Putrajaya
 - Federal Court Judge, Federal Court, Putrajaya
 - Chief Judge of Malaya
 - Chairman of Prasarana Malaysia Berhad

Other Current Appointments

- N/A

Dato Haji Ibrahim Haji Baki
Independent Non-Executive Director (INED)

Age/Gender/Nationality
62/Male/Malaysian

Date Appointed to the Board
17 August 2020

RC



Academic/Professional Qualifications

- Honours Degree in Law
- A Barrister-at-Law and a member of Lincoln's Inn

Past Appointments/Experiences

- Has served as City Councillor and active in social welfare and charitable organisations
- Former Executive Chairman / Shareholder of Hubline Berhad
- Director / Shareholder of Gegasan Abadi Properties Sdn Bhd
- Chairman / Shareholder of Warisan Kenyalang Sdn Bhd
- Chairman / Shareholder of IBZ Corporation Sdn Bhd
- Chairman of Layang-Layang Aerospace Sdn Bhd

Other Current Appointments

- Chairman, Daya Builders Sdn Bhd, Government Linked Company
- Commission Member of Registrar of Companies Malaysia (SSM)
- Chairman / Shareholder of Supreme Consolidated Resources Berhad
- Chairman / Shareholder of Gegasan Sdn Bhd
- Chairman of Redpyne Sdn Bhd
- Chairman / Shareholder of IBA Holdings Sdn Bhd
- Chairman of Lestari Asiabina Sdn Bhd
- Chairman/ Shareholder of two newspapers, the New Sarawak Tribune and Suara Sarawak

Board Committee :

AC Member of Audit Committee

RC Member of Risk Committee

NRC Member of Nomination and Remuneration Committee

Chairman of Committee

Profile of Company Secretaries
As of 31 March 2021

Maliki Kamal Mohd Yasin
Senior Vice President and Group General Counsel, Group Legal

Age/Gender/Nationality
57/Male/Malaysian

Date Appointed
1 June 2017



Academic/Professional Qualifications

- Bachelor of Law (Honours), International Islamic University Malaysia, Malaysia
- Wharton's Advanced Management Program at Wharton University of Pennsylvania

Past Appointments/Experiences

- Joined PETRONAS in 1990
- Has more than 31 years of experience in the legal and company secretarial fields
- Other key positions currently held within the Group:
 - Director of Malaysian Jet Services Sdn Bhd
- Other key positions previously held within the Group:
 - Head of Legal Downstream, Finance and Technology, PETRONAS
 - Head of Legal Finance and Secretariat, PETRONAS
 - General Counsel of RAPID Project
 - Head of Legal and Corporate Secretariat, PETRONAS Chemicals Group Berhad

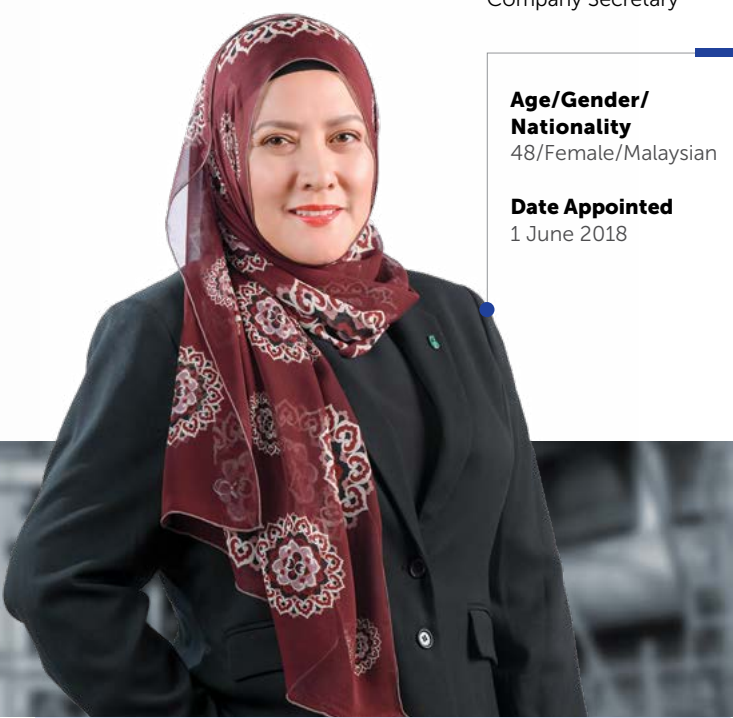
Other Current Appointments

- Company Secretary, PETRONAS

Intan Shafinas (Tuty) Hussain
Company Secretary

Age/Gender/Nationality
48/Female/Malaysian

Date Appointed
1 June 2018



Academic/Professional Qualifications

- Graduate Diploma in Law, University of Western Australia, Australia
- Bachelor of Laws (Honours), University of Leicester, United Kingdom
- Certificate in Legal Practice, Legal Professional Qualifying Board, Malaysia
- Licensed Company Secretary

Past Appointments/Experiences

- Joined PETRONAS in 2001 and has over 19 years of extensive experience in legal, corporate governance and company secretarial matters
- Previously served as the Joint Company Secretary of PETRONAS Gas Berhad and Head of Legal of PETRONAS Gas Berhad
- Other portfolios held include Legal Counsel of Legal Corporate Services, PETRONAS Chemicals Group Berhad, Corporate Services and Technology as well as Petrochemical Business of PETRONAS

Other Current Appointments

- Head of Group Secretarial and Board Governance, PETRONAS

Profile of Executive Leadership Team
As of 31 March 2021

Delivering Our Strategy,
Driving Performance

1



Tengku Muhammad Taufik
President and Group
Chief Executive Officer

2



Datuk Md Arif Mahmood
Executive Vice President and
Chief Executive Officer,
Downstream

3



Adif Zulkifli
Executive Vice President and
Chief Executive Officer,
Upstream

4



Adnan Zainol Abidin
Executive Vice President and
Chief Executive Officer,
Gas + New Energy

5



Liza Mustapha
Executive Vice President* and
Group Chief Financial Officer

6



Mazuini Ismail
Senior Vice President,
Corporate Strategy

7



Maliki Kamal Mohd Yasin
Senior Vice President Group Legal and
Group General Counsel

8



Samsudin Miskon
Senior Vice President,
Project Delivery and Technology

9



Farehana Hanapiah
Senior Vice President*,
Group Human Resource Management

Note:
* Effective 1 June 2021
Effective 1 April 2021

Profile of Executive Leadership Team
As of 31 March 2021

1

Tengku Muhammad Taufik
President and Group
Chief Executive Officer

Age/Gender/Nationality
47/Male/Malaysian

Date Appointed
15 October 2018

Academic/Professional Qualifications

- Fellow of the Institute of Chartered Accountants in England and Wales
- Member of the Malaysian Institute of Accountants
- Bachelor of Arts (Honours) (Finance and Accounting), University of Strathclyde, United Kingdom

Appointments/Experiences

- Accumulated more than 20 years of experience in the fields of finance and business investment
- Experienced in strategic planning investment valuations, developing entry strategies for businesses and structuring fit-for-purpose funding requirements
- Areas of expertise include financial reporting, project analysis, feasibility reviews, capital projects structuring and risk management, with primary focus on the oil and gas industry
- Executive Vice President and Group Chief Financial Officer, PETRONAS
- Partner at PricewaterhouseCoopers (PwC) Malaysia
- Chief Financial Officer for two public listed companies, responsible for financial and management reporting, merger and acquisition activities, as well as developing and implementing key stakeholder engagement strategies
- Member of the Board of MISC Berhad
- Member of the Board of KLCC Property Holdings Berhad

Other Current Appointments

- Chairman of Audit Committee for East Coast Economic Region Development Council (ECERDC) and Northern Corridor Implementation Authority (NCIA)
- Chairman of National Trust Fund
- Council Member of ECERDC and NCIA
- Member of Asia-Pacific Economic Cooperation (APEC) Business Advisory Council (ABAC)
- Member of Board of Trustees of the Merdeka Award Trust
- Member of National Employment Council (NEC)
- Member of the Board of various PETRONAS companies
- Member of World Economic Forum (WEF) Industry Action Group and WEF Oil and Gas Governors Forum
- Chairman of CEO Action Network

2

Datuk Md Arif Mahmood
Executive Vice President and
Chief Executive Officer,
Downstream

Age/Gender/Nationality
58/Male/Malaysian

Date Appointed
1 April 2016

Academic/Professional Qualifications

- Bachelor of Science (Summa Cum Laude) (Electrical Engineering), Boston University, United States of America
- Master of Business Administration, Massachusetts Institute of Technology, United States of America

Appointments/Experiences

- Joined PETRONAS in 1984
- Has more than 36 years of experience in the oil, gas and petrochemicals industries, in the fields of engineering, operation and strategic planning, business development and mergers and acquisitions
- Led the acquisition of Canada's Progress Energy Inc. in 2012 and established joint venture partnership with Saudi Aramco for Pengerang Integrated Complex
- Other key positions currently held within the Group:
 - Chairman of PETRONAS Chemicals Group Berhad
 - Chairman of PETRONAS Dagangan Berhad
 - Chairman of PETRONAS Marketing International Sdn Bhd
 - Chairman of Pengerang Petrochemical Company Sdn Bhd
 - Chairman of Pengerang Refining Company Sdn Bhd
 - Director of PETRONAS Carigali Sdn Bhd
 - Director of PETRONAS International Corporation Ltd
 - Director of PETRONAS Refinery & Petrochemical Corporation Sdn Bhd
 - Director of Johor Petroleum Development Corporation

Other Current Appointments

- Nil

3

Adif Zulkifli
Executive Vice President and
Chief Executive Officer,
Upstream

Age/Gender/Nationality
50/Male/Malaysian

Date Appointed
1 April 2019

Academic/Professional Qualifications

- Bachelor of Science (Honours) in Petroleum Engineering, Colorado School of Mines
- Master of Business Administration, Kellogg School of Management, Northwestern University

Appointments/Experiences

- Joined PETRONAS in 1993
- Has almost 30 years of experience in the oil and gas industry in the fields of petroleum engineering, operations, strategic planning, corporate transformation, petroleum economics, mergers and acquisitions, and business development
- Other key positions currently held within the Group:
 - Chairman of PETRONAS Energy Canada Ltd
 - Director of PETRONAS Carigali Sdn Bhd
 - Director of PETRONAS International Corporation Ltd
 - Trustee of the Abandonment Cess Fund
- Other key positions previously held within the Group:
 - Chairman of PETRONAS Gas Berhad
 - Chairman of PETRONAS Research Fund
 - Executive Vice President, Gas + New Energy
 - Senior Vice President, Development and Production Upstream Business
 - Senior Vice President, Corporate Strategy
 - Vice President, Malaysia Petroleum Management
 - Head, Strategy and New Ventures Division in Exploration & Production Business

Other Current Appointments

- Chairman of the Society of Petroleum Engineers, Asia Pacific Advisory Council
- Vice Chairman, International Petroleum Technology Conference Board of Directors
- Executive Committee Co-Chair, International Petroleum Technology Conference 2021 (Kuala Lumpur)
- Conference Advisor for the Offshore Technology Conference Asia (Kuala Lumpur) 2020

Profile of Executive Leadership Team
As of 31 March 2021

4

Adnan Zainol Abidin

Executive Vice President and
Chief Executive Officer,
Gas + New Energy

Age/Gender/Nationality
60/Male/Malaysian

Date Appointed
1 April 2019

Academic/Professional Qualifications

- Bachelor of Science in Chemical Engineering, University of Leeds, United Kingdom

Appointments/Experiences

- Joined PETRONAS in 1984
- Possesses more than 36 years of experience in the oil and gas industry
- Other key positions currently held within the Group:
 - Chairman of PETRONAS Gas Berhad
 - Director of LNG Canada Development Inc
 - Chairman of Malaysia LNG Sdn Bhd
 - Chairman of Malaysia LNG Dua Sdn Bhd
 - Chairman of Malaysia LNG Tiga Sdn Bhd
 - Chairman of PETRONAS Canada LNG Limited
 - Chairman of PETRONAS LNG 9 Sdn Bhd
 - Chairman of PETRONAS LNG Sdn Bhd
 - Director of Pacific NorthWest LNG Ltd
 - Director of PETRONAS Carigali Sdn Bhd
 - Director of PETRONAS International Corporation Ltd
- Other key positions previously held within the Group:
 - Senior Vice President, Project Delivery and Technology
 - Vice President, LNG Assets
 - Vice President, Global LNG Projects

Other Current Appointments

- Nil

5

Liza Mustapha

Executive Vice President* and
Group Chief Financial Officer

Age/Gender/Nationality
50/Female/Malaysian

Date Appointed
1 July 2020

Academic/Professional Qualifications

- Bachelor of Science Degree in Economics, majoring in Accounting and Finance, London School of Economics, United Kingdom
- Fellow of the Association of Chartered Certified Accountants
- Advanced Management Programme, Harvard Business School

Appointments/Experiences

- Joined PETRONAS in 1995
- Has more than 25 years of experience in PETRONAS covering finance at business and corporate
- Other key positions currently held within the Group:
 - Chairman of Energas Insurance (L) Ltd.
 - Director of KLCC Property Holdings Berhad (KLCCP)
 - Director of KLCC REIT Management Sdn Bhd (KLCCRM)
 - Director of MISC Berhad
 - Director of PETRONAS Carigali Sdn Bhd
 - Director of PETRONAS International Corporation Ltd
- Other key positions previously held within the Group:
 - Vice President, Group Procurement
 - Group Financial Controller
 - Chief Financial Officer, Upstream Business
 - Senior General Manager, Group Treasury
 - Chief Financial Officer, PETRONAS Gas Berhad

Other Current Appointments

- Member, Board Audit Committee, MISC Berhad
- Member, Audit Committees of KLCCP and KLCCRM
- Member, Nomination and Remuneration Committees of KLCCP and KLCCRM
- Treasurer, Malaysian Petroleum Club

Note:

* Effective 1 June 2021

6

Mazuin Ismail

Senior Vice President,
Corporate Strategy

Age/Gender/Nationality
52/Male/Malaysian

Date Appointed
16 April 2016

Academic/Professional Qualifications

- Bachelor of Science (Civil and Structural Engineering), University of Bradford, United Kingdom
- Master of Business Administration (Advance), University of Adelaide, Australia

Appointments/Experiences

- Joined PETRONAS in 1991
- Has 30 years of experience in PETRONAS covering project execution and engineering, internal audit, governance, and business development. He had also held leadership roles in petroleum management, strategic planning and change management
- Other key positions currently held within the Group:
 - Chairman of PETRONAS Digital Sdn Bhd (formerly known as PETRONAS ICT Sdn Bhd)
 - Chairman of Petroleum Research Fund
 - Chairman of Kertih Terminal Sdn Bhd
 - Director of PETRONAS Carigali Sdn Bhd
 - Director of PETRONAS International Corporation Ltd
 - Director of Institute of Technology PETRONAS Sdn Bhd
 - Director of PTV International Ventures Ltd
 - Director of Malaysian Industry-Government Group for High Technology (MIGHT)
- Other key positions previously held within the Group:
 - Senior Vice President, Project Delivery and Technology
 - Vice President of Technical Global (PETRONAS)

Other Current Appointments

- Nil

Profile of Executive Leadership Team
As of 31 March 2021

7

Maliki Kamal Mohd Yasin

Senior Vice President and
Group General Counsel, Group Legal

Age/Gender/Nationality
57/Male/Malaysian

Date Appointed
1 June 2017

Academic/Professional Qualifications

- Bachelor of Law (Honours), International Islamic University Malaysia, Malaysia
- Wharton's Advanced Management Program at Wharton University of Pennsylvania

Appointments/Experiences

- Joined PETRONAS in 1990
- Has more than 31 years of experience in the legal and company secretarial fields
- Other key positions currently held within the Group:
 - Director of Malaysian Jet Services Sdn Bhd
- Other key positions previously held within the Group:
 - Head of Legal Downstream, Finance and Technology, PETRONAS
 - Head of Legal Finance and Secretariat, PETRONAS
 - General Counsel of RAPID Project
 - Head of Legal and Corporate Secretariat, PETRONAS Chemicals Group Berhad

Other Current Appointments

- Company Secretary, PETRONAS

8

Samsudin Miskon

Senior Vice President,
Project Delivery and Technology

Age/Gender/Nationality
60/Male/Malaysian

Date Appointed
16 October 2019

Academic/Professional Qualifications

- Bachelor of Science (Honours) Chemical Engineering, Aston University, United Kingdom
- Master of Science in Project Management, University of Reading, United Kingdom
- Advance Management Program, Harvard Business School, USA

Appointments/Experiences

- Joined PETRONAS in 1983
- Has more than 36 years of experience in the fields of project management, plant operation and human resource management
- Other key positions currently held within the Group:
 - Chairman of PETRONAS Research Sdn Bhd
 - Chairman of PETRONAS Technical Services Sdn Bhd
 - Chairman of Institute of Technology PETRONAS Sdn Bhd
 - Director of PETRONAS Digital Sdn Bhd (formerly known as PETRONAS ICT Sdn Bhd)
 - Board of Trustees of Petroleum Research Fund
 - Board of Trustees of Dana Asy-Syakirin
 - Board of Trustees of Abandonment Cess Fund
- Other key positions previously held within the Group:
 - General Manager of Malaysia LNG Dua Sdn Bhd
 - Senior General Manager of MLNG Plant Complex
 - MD/CEO of PETRONAS Gas Berhad
 - Vice President of Group Procurement

Other Current Appointments

- Nil

9

Farehana Hanapiah

Senior Vice President*,
Group Human Resource Management

Age/Gender/Nationality
52/Female/Malaysian

Date Appointed
1 January 2020

Academic/Professional Qualifications

- Bachelor of Commerce and Administration (Accountancy), Victoria University of Wellington, New Zealand
- Advanced Management Programme, Harvard Business School

Appointments/Experiences

- Joined PETRONAS in 1990
- Has more than 30 years of experience in corporate functions
- Other key positions currently held within the Group:
 - Chairman of PETRONAS Management Training Sdn Bhd
 - Chairman of PETRONAS Technical Training Sdn Bhd
 - Chairman of Dana Asy-Syakirin
 - Chairman of PETRONAS Lubricants International Sdn Bhd's Nomination and Remuneration Committee
 - Director of Institute of Technology PETRONAS Sdn Bhd
 - Director of PETRONAS Digital Sdn Bhd (formerly known as PETRONAS ICT Sdn Bhd)
 - Director of PETRONAS Lubricants International Sdn Bhd
- Other key positions previously held within the Group:
 - General Manager, Group Strategic Planning
 - Head, Commercial Development & JV Formation of PETRONAS Refinery & Petrochemical Corp
 - Head, Human Capital Expertise, Group HRM
 - Head, Human Capital Management, Group HRM
 - Chief Executive Officer, PETRONAS Management Training Sdn Bhd

Other Current Appointments

- Nil

Note:

Effective 1 April 2021



Board Governance and Structure



In these unprecedented times, the importance of strong governance structures plays a key role in ensuring our businesses are sustainable.

The PETRONAS Board remains committed to maintaining the highest standards of corporate governance, ethics and integrity within the PETRONAS Group whilst also ensuring that PETRONAS achieves its key objectives and oversees the implementation of the Three-Pronged Growth Strategy.



Board Leadership

The Board provides effective stewardship of the Company and is responsible for the Group's strategic direction and control of the Company. The Board exercises this control by way of a governance framework, effective delegation, risk management and a system of assurances regarding financial reporting and internal controls. The Board is accountable to its shareholders and towards a wider range of stakeholders such as employees, suppliers, community and the government.

Each Director has the duty to act in good faith and in the best interest of the Company. In discharging its roles and duties effectively, the Board is guided by the Board Charter, a document which sets out the authority, responsibilities and operations of the Board and well-defined Terms of Reference of the Board Committees. The differing roles of the Chairman and President and Group Chief Executive Officer (President and GCEO) are acknowledged and set out in the Board Charter.

How the Board Functions

The Board meets regularly and additional meetings are arranged as and when circumstances dictate. Each meeting is conducted in accordance with a formal and structured agenda and Board papers are circulated on time to ensure that directors are well informed and that debate and decisions are constructive and robust. During 2020, the Board met on 21 occasions, with 100 per cent attendance.

Each Director has full access to the services of the Company Secretaries, who play an advisory role to the Board, particularly with regards to the Constitution of the Company, Board policies and procedures and the Company's compliance with the regulatory requirements, guidelines and legislation.

The Board has an approved and documented schedule of matters reserved for its decision. These include approval of the Group's strategy, annual budget, funding requirements, major capital expenditure and acquisitions and monitoring of performance, health, safety, environmental matters and risk management.

Matters Reserved for the Board

1 Strategy and Management

Strategy, policies, annual budgets and major investment decisions which include capital projects, mergers and acquisitions, and funding requirements.

2 Financial, Governance and Risk

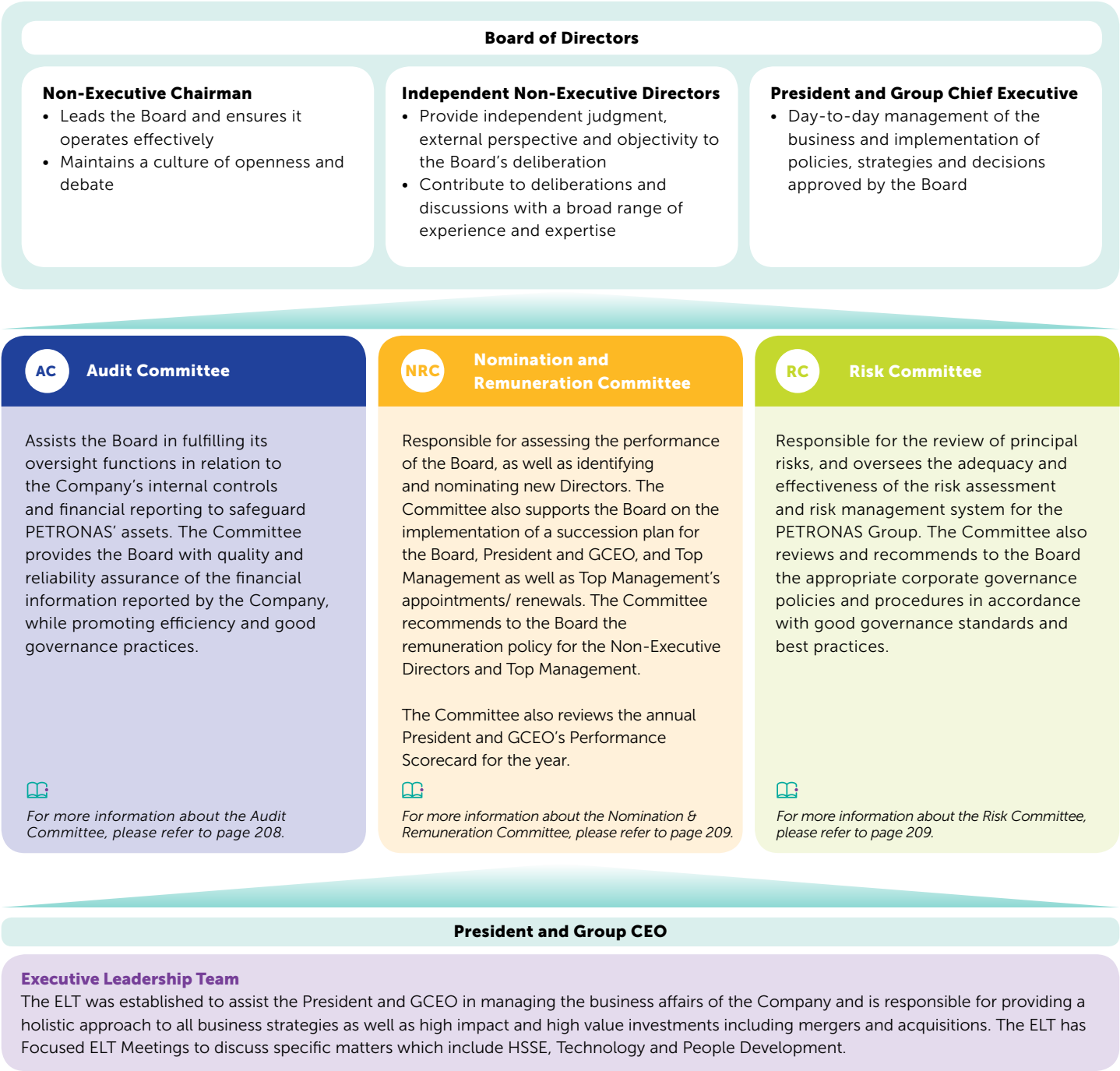
Financial reporting and control, and risk management.

3 Corporate Matters

Reputation and stakeholder management, Health, Safety, Security and Environment (HSSE), Board and Board Committees' memberships, and Directors' remuneration and succession planning.

Governance Structure

PETRONAS is led by a Board whose Directors are collectively responsible for creating and delivering long-term sustainable value for the business. A key responsibility of the Board is to balance the interests of the Group and our stakeholders including employees and the wider communities we serve. Our governance structure ensures role clarity by clearly delineating roles and areas of accountability and recognises the independent roles and duties required to effectively govern the Company. The governance structure aims to promote strategic alignment across the Group while facilitating efficient decision-making at the appropriate levels.





Board Roles and Attendance

Chairman

Responsible for the effective running of the Board and ensures that the Board plays a full and constructive role in the development and determination of the Company and the Group's strategy and overall commercial objectives.

Leads the Board in setting the values and ethical standards of the Company.

Promotes the highest standards of integrity and corporate governance at the Board level.

President and GCEO

Responsible for all executive management matters of the Company and/or the Group and leads the Executive Leadership Team.

Responsible for developing and recommending the long-term strategy and vision for the Company and/or the Group.

To foster a corporate culture that promotes ethical practices, encourages individual integrity and and the fulfillment of the Company's corporate social responsibilities.

Champions the Company's values and behaviours across the whole Group.

Attendance at Meetings

The implementation of the Movement Control Order (MCO) due to the COVID-19 pandemic in March 2020 in Malaysia has not affected the Board in carrying out its affairs effectively. The Directors' commitment in discharging their duties and responsibilities is reflected by their attendance at the Board and Board Committee meetings which were held virtually during the year under review.

The number of meetings of the Board and each of the Audit, Risk and Nomination and Remuneration Committees during the year ended 31 December 2020, together with a record of the attendance is detailed in the table below:

Board and Board Committee Meeting Attendance

Directors as at 31 December 2020	Designation	Board	Audit Committee	Nomination and Remuneration Committee	Risk Committee
Tan Sri Ahmad Nizam Salleh	Chairman	21/21	-	-	-
Tengku Muhammad Taufik	President and Group Chief Executive Officer	20/20	-	-	-
Ainul Azhar Ainul Jamal	Independent Non-Executive Director	21/21	7/7	7/7	-
Tan Sri Dato' Seri Mohd Bakke Salleh	Independent Non-Executive Director	21/21	7/7	-	5/5
Zakiah Jaafar	Non-Independent Non-Executive Director	21/21	5/7	5/6	4/5
Tan Sri Zaharah Ibrahim	Independent Non-Executive Director (appointed w.e.f 17/08/2020)	11/11	2/2	1/1	-
Dato' Razali Mohd Yusof	Independent Non-Executive Director (appointed w.e.f 17/08/2020)	11/11	-	1/1	-
Dato Haji Ibrahim Haji Baki	Independent Non-Executive Director (appointed w.e.f 17/08/2020)	11/11	-	-	2/2

Directors who have resigned in 2020	Designation	Board	Audit Committee	Nomination and Remuneration Committee	Risk Committee
Tan Sri Wan Zulkiflee Wan Ariffin	President and Group Chief Executive Officer (resigned w.e.f 15/06/2020)	7/7	-	-	-
Ahmad Faris Rabidin	Independent Non-Executive Director (resigned w.e.f 23/08/2020)	10/10	-	6/6	3/3

Non-Executive Directors

Provide alternative insights and constructively challenge proposals to ensure all relevant matters are objectively considered by the Board.

Oversight on the performance of the Management and monitor the delivery of Group strategy within the risk and control environment set by the Board.

Company Secretary

Facilitates the effective operation of the Board and ensures that the Directors receive accurate, timely and clear information to enable them to discharge their responsibilities.

Provides support and advice to the Board in respect of governance matters.



Board Balance and Effectiveness

Composition and Independence

As at the date of this report, the Board of Directors of PETRONAS comprises eight members; the Non-Executive Chairman, the President and GCEO and six Non-Executive Directors (NEDs), out of which five are Independent Non-Executive Directors (INEDs). The names of the Directors together with their biographical details are set out on pages 192 to 196.

The size and composition of the Board is fundamental to its success in providing strong and effective leadership. The NRC is responsible for reviewing the composition of the Board and assessing whether the balance of skills, experience, knowledge and independence is appropriate to enable them to operate effectively.

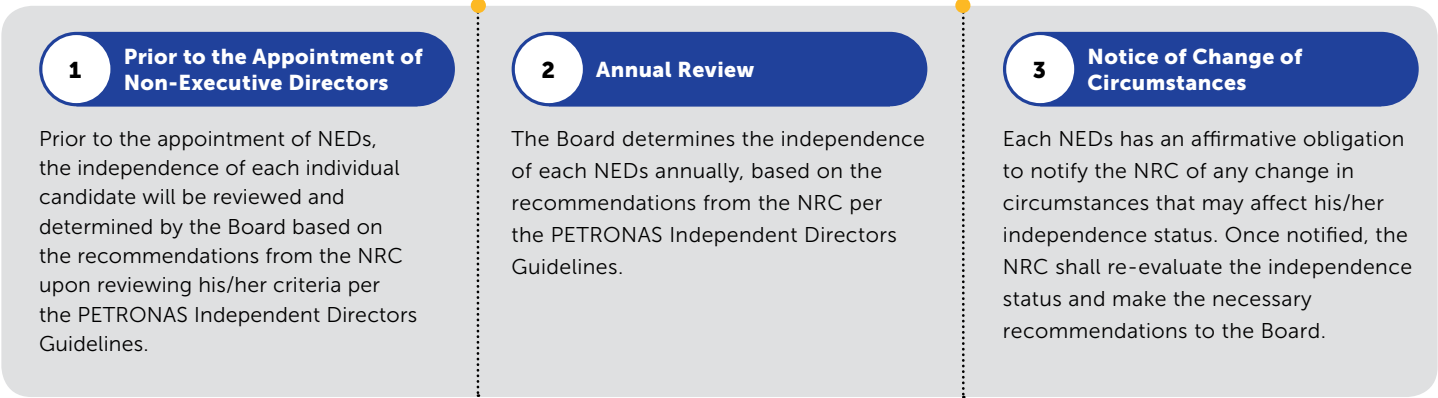
The INEDs have been appointed for their specific experience and expertise and are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. NEDs may serve on the boards of other companies provided this does not involve a conflict of interest and that the appointment does not restrict their ability to discharge their duties to PETRONAS in any way.

Diversity

The Board recognises the importance of diversity and the value it brings to the PETRONAS Group. Diversity promotes the inclusion of different perspectives, raising the standards of good practice in Board leadership and enhancement of valuable insights in business judgment.

Board Independence

The Board assesses the independence of its NEDs annually. The independence assessment takes into account whether the NEDs have demonstrated an independent state of mind and objective judgment in their deliberations and decision-making process. The assessment on the independence of the NEDs may be undertaken in the following circumstances:



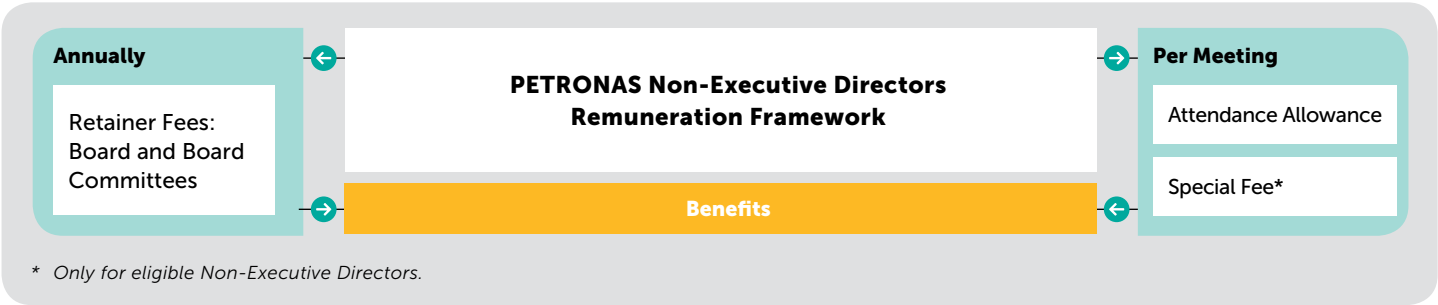
Conflict of Interest

In ensuring transparency and integrity of the decision-making process as well as to prevent any conflict of interest, a declaration of interest by Directors is a fixed agenda item at the start of every Board meeting. A Director who has direct or indirect interest in a transaction shall recuse himself/herself when required and abstain from deliberations and voting to allow unbiased and free discussions and decision-making. Disclosure of the nature and extent of the Directors' interest and abstention from decision making proceedings are recorded in the minutes of the Board meetings. The Principles of Directorship for the PETRONAS Group was established to govern the way Directors conduct themselves in a conflict of interest situation, which corresponds with the Companies Act 2016 and the Code of Conduct and Business Ethics (CoBE) of the Company.

The Directors are also required to declare their interests annually, in line with the requirements on the disclosure of Director's interests in the Company's Audited Financial Statements.

Board Remuneration Policy

Given the highly competitive market, PETRONAS designed a robust fee structure to attract, retain and appropriately compensate the diverse and internationally experienced NEDs. The fee framework is illustrated below:



Board Onboarding and Professional Development Programme

The Board recognises the importance of ensuring that new Directors have a complete introduction to the business so that they are able to make a full and meaningful contribution to the Board. To that end, the Board has adopted a comprehensive onboarding programme for new Directors, including meetings with key senior leadership team, bespoke training on relevant regulatory and legal obligations and on Board procedures and processes.

Directors will have full access to roundtable discussions, seminars and other events, covering topics relevant to the Group and their roles. The Company provides Directors with the necessary resources to update their knowledge and capabilities throughout the year.

A suite of development programmes, known as the PETRONAS Board Excellence has been in place since 2016 to chart the Directors' development plans in a structured manner.

Suite	PETRONAS Board Excellence (PBE)								
Solution	Onboarding	Foundational*		Advanced			Continuous Education	Conference	
Programme	Onboarding Programme for New Directors	Essentials for Directorship	Rising Above 2	Best Practices for Board Excellence (Advanced 1)	Effective Strategy for Stakeholder Management (Advanced 2)	Round Table	Updates on trends	Directors Conference	Audit Committee Forum
Continuous Programme	E-Learning (5 Critical Legal Areas, Code of Conduct, Anti Corruption, Data Privacy)								
	Board Assessment (Observation, Interview and Digital)								

* The Foundational programmes only apply to the directors who are employees of the PETRONAS Group, thus, the PETRONAS Directors, upon their onboarding, will attend the Advanced programmes of the PBE.

Board Evaluation

The Board, through the NRC, endeavours to conduct annual performance evaluation of the Board and its Committees, facilitated by the Company Secretary. Evaluation results are reported to the NRC. Individual Director's evaluation results are made available to the NRC Chairman and reported directly to the Chairman of the Board. The Chairman of the Board will then conduct feedback sessions through peer-to-peer meetings.


AC Audit Committee

Ainul Azhar Ainul Jamal
Chairman

Zakiah Jaafar

Tan Sri Dato' Seri Mohd Bakke Salleh

Tan Sri Zaharah Ibrahim
(appointed w.e.f 08/09/2020)

 For more information about the Audit Committee's attendance, please refer to pages 204 to 205.

Key Matters in 2020

The Audit Committee continued to play a key role in assisting the Board to fulfill its oversight responsibilities in ensuring the effectiveness of financial reporting, systems of internal control and the internal and external audit functions.

Financial

During the year under review, the Committee reviewed the quarterly financial results and the financial performance of business segments and of the PETRONAS Group. The Committee also reviewed the effects of the application of accounting judgments and estimates on impairment assessment and provision for decommissioning, dismantling, removal and restoration (DDRR).

Internal Control and Audit Activities

The Committee deliberated and endorsed on internal audit reports which include opinions on the adequacy and effectiveness of governance and internal controls, audit finding's root cause and implications and the recommended corrective actions to be undertaken by the Management. The internal audit exercise are conducted to provide reasonable assurance on the following key areas (but not limited to):

- Business and operational activities are carried out effectively and efficiently
- Management reporting are accurate, reliable and timely
- Applicable policies, procedures, laws and regulations are complied with

The coverage of audits activities are as per Group Internal Audit universe (excluding PETRONAS Public Listed Companies with dedicated Audit Committees) which comprise various PETRONAS business inclusive of international offices, overseas operations and projects with key important scopes are covered during the audit activities such as procurement, project management, operation and maintenance, finance and accounts etc. Agreed Corrective Actions arising from the audit activities are monitored and reviewed on a quarterly basis.

The Committee also reviewed and endorsed the Annual Audit Plan developed based on the enterprise and business risks, strategies, audit history result and stakeholder feedbacks. Changes of Annual Audit Plan are reviewed on quarterly basis to ensure the proposed audit activities are carried out as per emerging and relevant risks as well as business strategies.

During the year under review, the Committee endorsed the results of the External Quality Assessment Review (EQAR) performed by the Institute of Internal Auditors Malaysia on PETRONAS Group Internal Audit. The assessment resulted in enhancement of PETRONAS positioning in respect to the application of the Internal Audit Standards, enhancements to the Committee's Terms of Reference and Internal Audit Charter as well as the renaming of the Board Audit Committee to Audit Committee which were recommended by the Committee and approved by the Board for adoption.

The Committee reviewed with the external auditors the results of the statutory audit and the audit report as well as the proposed fees for the statutory audits and limited review fees for PETRONAS and selected subsidiaries for FY2020 to FY2022.

Focus Areas for 2021

The Committee shall continue to review the implementation of digital projects and operations as well as Cyber Security activities across the group. The committee shall focus on key thematic audits for the year among others are Legal Compliance, PETRONAS Resiliency Model & Risk Culture, Process Safety Management etc. to ensure the identified key risks within PETRONAS are monitored and mitigations actions are implemented effectively. Additionally, PETRONAS Group Internal Audit is accelerating its digital adoptions in leveraging digital and technology especially in analytics to improve its key deliverables to the Committee. Other strategic initiatives on integrity risk and capability management are enhanced in order to improve the quality of audit deliverables and to elevate the culture and compliance on Governance, Risk and Control for PETRONAS.

NRC Nomination and Remuneration Committee


Dato' Razali Mohd Yusof
Chairman
Appointed w.e.f 08/09/2020

Tan Sri Zaharah Ibrahim
(appointed w.e.f 08/09/2020)

Ainul Azhar Ainul Jamal

Ahmad Faris Rabidin
(resigned w.e.f 23/08/2020)

Zakiah Jaafar
(01/01/2020-08/09/2020)

 For more information about the Nomination and Remuneration Committee's attendance, please refer to pages 204 to 205.

Key Matters in 2020

- The NRC continued to play its role in assisting the Board in ensuring that the Board retains an appropriate structure, size and balance of skills to support the strategic objectives and values of the Company.
- In line with the requirements of the PETRONAS Independent Directors Guidelines on the annual review of independence of the NEDs, the Committee reviewed and recommended to the Board, the status of independence of the NEDs of PETRONAS. The Committee also reviewed the findings of the PETRONAS Board and Board Committees performance evaluation exercise for FY2020.
- The ever-changing global climate has created an impetus for PETRONAS to pivot its portfolio and retool its human capital ecosystem in order to ensure the Company survives and thrives amidst uncertainties. Apart from reviewing the Top Management's service contracts, renewals and mobility, the Committee also reviewed the Top Management's remuneration strategy in support of transformational leadership and long-term performance or growth of the Company.
- The Committee also reviewed and endorsed the establishment of the 2020 President and GCEO's Scorecard to provide a top down guidance that will cultivate the right behaviour across the Group in this challenging period.

Focus Areas for 2021

The Committee is committed to ensure a stable and robust succession for PETRONAS' Board of Directors as well as Top Management and support the holistic talent development strategies in driving competitiveness of our resources and the organisation.

RC Risk Committee

Tan Sri Dato' Seri Mohd Bakke Salleh
Chairman

Dato Hj. Ibrahim Hj. Baki
(appointed w.e.f 08/09/2020)

Zakiah Jaafar

Ahmad Faris Rabidin
(resigned w.e.f 23/08/2020)

 For more information about the Risk Committee's attendance, please refer to pages 204 to 205.

Key Matters in 2020

- The volatile market conditions and uncertainties require the Committee to continue to oversee the adequacy and effectiveness of the risk management system in the PETRONAS Group. The Committee assists the Board in reviewing the PETRONAS Group's Corporate Risk Profile and Risk Appetite on a quarterly basis. Revisions to Risk Appetites were recommended by the Committee and approved by the Board for adoption in line with the requirement of the business and strategic objectives.
- During the year under review, the Committee endorsed the enhancement to the Risk Management Operating Model for the PETRONAS Group, as part of oversight on the organisation's risk management infrastructure.
- The Committee appraised the performances and activities of Group Integrity on a quarterly basis and being apprised on the progress of the Group's integrity and governance programmes.
- The Committee also reviewed the enhancements to various policies including PETRONAS Corporate Financial Policy and Whistleblowing Policy. It also endorsed the establishment of PETRONAS Tax Policy, PETRONAS Board Succession Planning Framework, Blueprint for Commodity Risk & Strategy Management and Portfolio Hedging Programme.
- During the year, the Committee also played its oversight role in reviewing risks related to strategic and high impact business matters such as projects' Final Investment Decisions of the Company.

Focus Areas for 2021

Focus will also be given to provide overall quality assurance in the implementation of Enterprise Risk Management projects, the comprehensive commodity price risk exposure management and risk assessment on high impact business matters.



Compliance

The compliance culture is driven with “tone from the top” messaging to ingrain the values and principles of conduct that shape the behaviour and attitude of employees at all levels of businesses and activities across the PETRONAS Group. This commitment is clearly demonstrated through adopting compliance policies and guidelines, conducting training and

awareness on compliance subjects, establishing internal controls embedded into business practices, and performing structured assurance programmes by the businesses to ensure that compliance risks are effectively managed in PETRONAS.

Legal Compliance Framework

The PETRONAS Legal Compliance Framework (LCF) was developed as a control oversight and monitoring of legal and regulatory compliance to the five (5) critical legal areas to effectively manage legal compliance which embeds and integrates compliance assurance and reporting for the Group.

The LCF consists of a set of procedures, standards, and controls (see Figure 1 beside) aimed to ensure compliance with legal and regulatory requirements in the five (5) critical legal areas, which pose as enterprise risk to the Group.

These critical legal areas are Ethics & Integrity, Data Privacy, Sanctions, Export Control and Competition which are international laws with extra-territorial effect that could result in high civil and criminal penalties and severe reputational impact to the enterprise. The LCF is the structured process to manage and ensure compliance with the legal controls by PETRONAS entities within the Group.

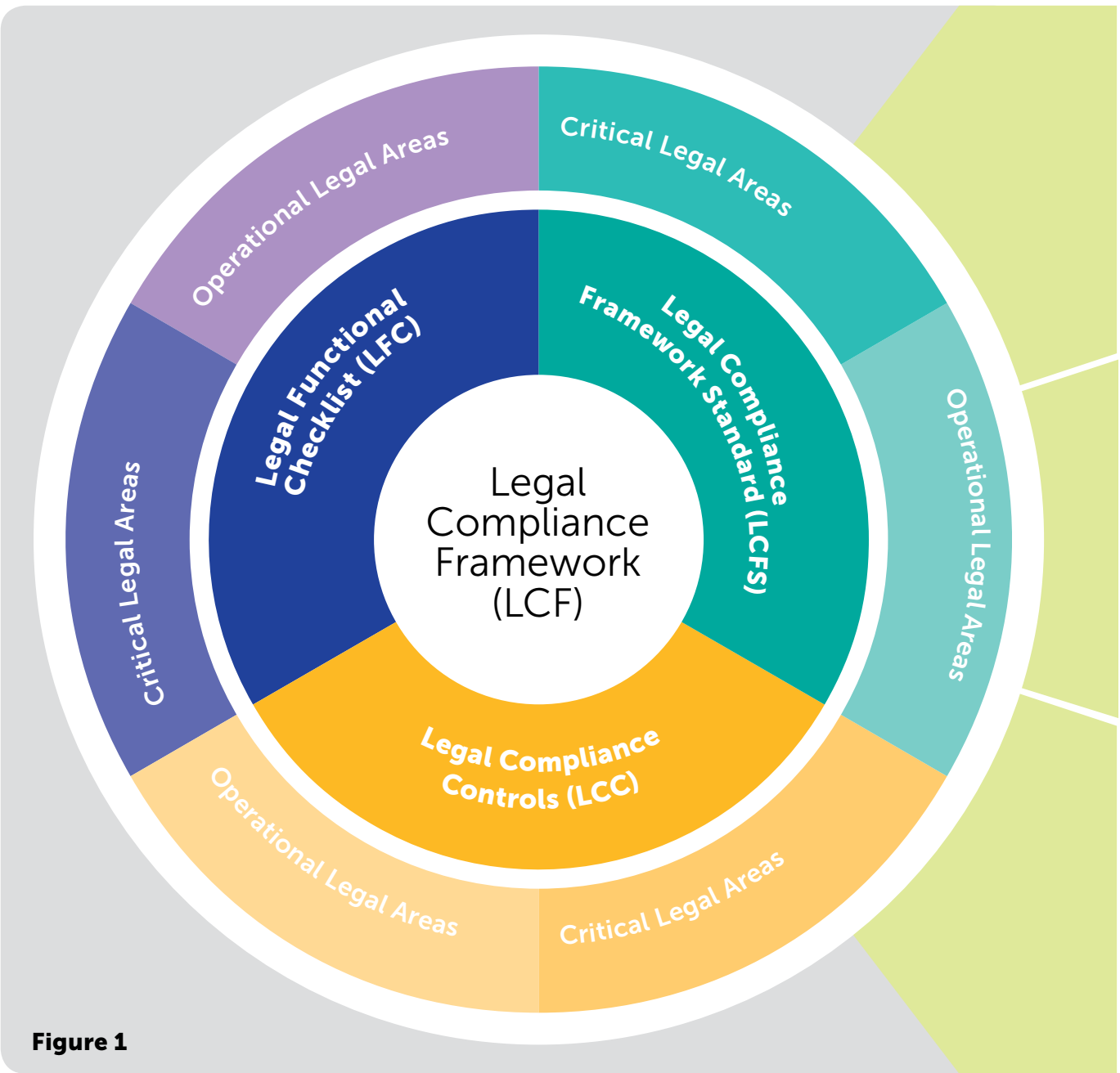


Figure 1

Legal Compliance Framework Standard- Critical Legal Areas (LCFS-CLA)

This document establishes the oversight mechanism for legal compliance to Critical Legal Areas. All OPUs and HCUs shall refer to the LCFS-CLA to guide their understanding of this legal area.

Legal Compliance Control- Critical Legal Areas (LCC-CLA)

The LCC-CLA is a set of legal controls which aim to mitigate risks posed by the Critical Legal Areas and to meet the regulatory requirements.

Legal Functional Checklist Standard- Critical Legal Areas (LFC-CLA)

This self-assessment checklist is a set of questionnaires for OPU and HCUs to self-assess their legal compliance status. Where gaps and/or non-compliance are identified, OPUs and HCUs are able to address these in their action plans.

Governance and Risk Assessment

PETRONAS has in place the following applicable governance documents in relation to the five (5) critical legal areas for adoption and implementation by companies across the Group. These governance documents such as policies, standards, guidelines, frameworks, procedures and others, form the basis for carrying out internal controls across the organisation within the PETRONAS Group.

Critical Legal Area	Governance Document
Ethics and Integrity	i. PETRONAS Code of Conduct and Business Ethics (CoBE)
	ii. PETRONAS Anti-Bribery and Corruption Policy and Guidelines (ABC Manual)
	iii. PETRONAS Whistleblowing Policy
	iv. PETRONAS Raid Protocol
	v. PETRONAS Human Rights Commitment
Data Privacy	i. PETRONAS Corporate Privacy Policy
	ii. PETRONAS Master Guidelines to the PETRONAS Corporate Privacy Policy
Sanctions	i. PETRONAS Economic Sanctions and Export Control Policy and Guidelines
Export Control	i. PETRONAS Economic Sanctions and Export Control Policy and Guidelines
Competition	i. PETRONAS Competition Law Guidelines
	ii. PETRONAS Competition Law Compliance Law Protocols:
	• Meetings and information sharing
	• Merger and acquisition Transactions

Training and Awareness

Training and communication programmes are key to raising awareness and understanding of the five (5) critical legal areas across the PETRONAS Group. Delivery of effective training programmes is high on the agenda for PETRONAS directors and staff to inculcate and build strong compliance culture within the PETRONAS Group. Despite the global pandemic of COVID-19, PETRONAS has continued its efforts by conducting online/webinar training programmes on the five (5) critical legal areas. Through our established e-learning modules which are specific to the five (5) critical legal areas, PETRONAS staff groupwide can further inculcate compliance awareness and depth through various digital and communications platforms. This ensures PETRONAS staff are sufficiently trained and regularly updated on the five (5) critical legal areas and its related policies and guidelines.

Monitoring and Assurance

The governance of business activities and operations at all levels within the PETRONAS Group is necessary to ensure compliance with the five (5) critical legal areas. To evaluate and monitor compliance status with the five (5) critical legal areas, the LCF serves as an assurance program to identify potential areas of non-compliance, and/or unsound practices on the status of PETRONAS' legal compliance to ensure effective and informed decision making for the business. Conducted and performed by PETRONAS entities within the PETRONAS Group, the LCF assurance process is performed, documented and consolidated in PETRONAS' integrated myAssurance platform.



Business Practice

PETRONAS strives to effectively identify, prioritize, develop and evaluate compliance activities to address key risks, and to document action plans related to the mitigation of these risks. Some of the year in review's business practices, which are part of the LCF control and risk mitigation are as follows:

1

PETRONAS Privacy Notices and Statements for PETRONAS Group

The PETRONAS Privacy Notices and Statements (Privacy Notices and Statements) are notices and statements that are designed to provide notice of and assist in understanding why and how PETRONAS collects, uses and manages personal data, to whom such data is disclosed and to whom data access requests can be addressed. This is a demonstration of commitment by PETRONAS and will ensure that the flow and management of personal data processed by the Group complies with the PETRONAS Corporate Privacy Policy, the Master Guidelines and applicable personal data protection and privacy laws.

2

Enhancement of the PETRONAS Whistleblowing Policy

Enhancement of the PETRONAS Whistleblowing Policy and its procedures is essential to comply with Guidelines on Adequate Procedures under Section 17A(5) of the Malaysian Anti- Corruption Commission Act ("MACC Act"). The Policy encourages staff and members of the public that disclosures are secure and dealt with, confidentially, and through our accessible whistleblowing channels, which are operated with the highest standards of integrity and accountability. The Policy provides clarity on the oversight and responsibilities of the whistleblowing process, the reporting process, protection to whistleblowers and the confidentiality afforded to whistleblowers globally.

The PETRONAS Whistleblowing Policy applies to every employee, director and officer of PETRONAS. Joint venture companies in which PETRONAS is not a controlling stakeholder and associate companies of PETRONAS are encouraged to adopt the PETRONAS Whistleblowing Policy whilst contractors, agents, outsourced workers and business associates are required to always act consistently with the applicable parts of the PETRONAS Whistleblowing Policy when dealing with, acting on behalf of or in the name of PETRONAS.

3

Third-Party Risk Management

The Third-Party Risk Management (TPRM) is a due diligence process to safeguard the Group from any corporate liability that can be attributed to PETRONAS arising from the misconduct of third parties (e.g. partners, contractors, vendors, suppliers, distributors, agents) in respect to the five (5) critical legal areas. The TPRM applies to all businesses in the Group to detect possible red-flags of potential third parties prior to any formal engagement, and seeks to provide the necessary mitigation or contractual safeguard against any risks of legal, financial or reputational damages that may be caused by them to PETRONAS.

The implementation of the TPRM process within the PETRONAS Group contributes to a strong and effective governance and compliance practices in protecting PETRONAS from the risks posed by third parties.

PETRONAS Commitment to Integrity

PETRONAS is governed by frameworks and policies that uphold good governance which is aimed at maintaining a robust culture of integrity and compliance. This supports PETRONAS' zero tolerance against all forms of bribery and corruption.

Anti-Bribery and Corruption

PETRONAS implemented its anti-bribery and corruption programmes and controls around the T.R.U.S.T values and principles, guided by the Guidelines on Adequate Procedures.

Throughout the year in review, groupwide communications were high on the agenda with tone from the top messaging by the Chairman and PETRONAS ELT. It plays an instrumental role in raising awareness of transparency and integrity by promoting awareness campaigns entitled "Leaders Speak Integrity" to all PETRONAS employees, with key emphasis on the efforts and commitment in implementing best practices and integrity in its day-to-day operations and business transactions.

With the LCF as the overarching compliance framework for PETRONAS entities to self assess against the five (5) critical legal areas which include bribery and corruption, businesses within the Group are able to perform risk assessments to evaluate its current state of compliance and to adopt, embed and implement mitigating controls prioritised according to internal and external corruption risks.

As a single and exclusive platform to conduct audit and to monitor assurance activities for the Group, the PETRONAS Integrated Assurance was established in 2019 to ensure effective and efficient assessment of bribery & corruption risks.

Awareness and training programs on corporate liability and the importance of compliance to Adequate Procedures for PETRONAS groupwide, are carried out through webinars, video conference and our e-learning platform with the objective to equip PETRONAS' employees, directors and associated person with essential knowledge on PETRONAS' guidelines and policies with respect to antibribery and corruption.

PETRONAS has continuously maintained its standards to the International Organization for Standardization 37001 on Anti-Bribery Management System (ISO 37001) certification where it validates PETRONAS' strategy in implementing global best practices to combat bribery and corruption. The certification also evidences PETRONAS' commitment to anti-bribery and anti-corruption in a verifiable way and is a testament of PETRONAS' zero tolerance against bribery and corruption.

PETRONAS Integrity Compliance Framework (PICF)

The PICF, which was established in 2012, is PETRONAS' commitment towards integrity, serving as the framework to instill and ensure compliance of all elements related to the propagation of integrity and business ethics within the business activities of the Group.

As an on-going effort towards PETRONAS' zero tolerance against all forms of bribery and corruption, a reflection of PETRONAS' commitment to high ethical standards and anti-bribery and corruption laws, the PICF was strengthened to address the requirements of the Guidelines on Adequate Procedures under Section 17A of the MACC Act.

PETRONAS Whistleblowing Policy and Procedures

The PETRONAS Whistleblowing Policy and procedures is available on PETRONAS' corporate website: <https://www.petronas.com/whistleblowing>

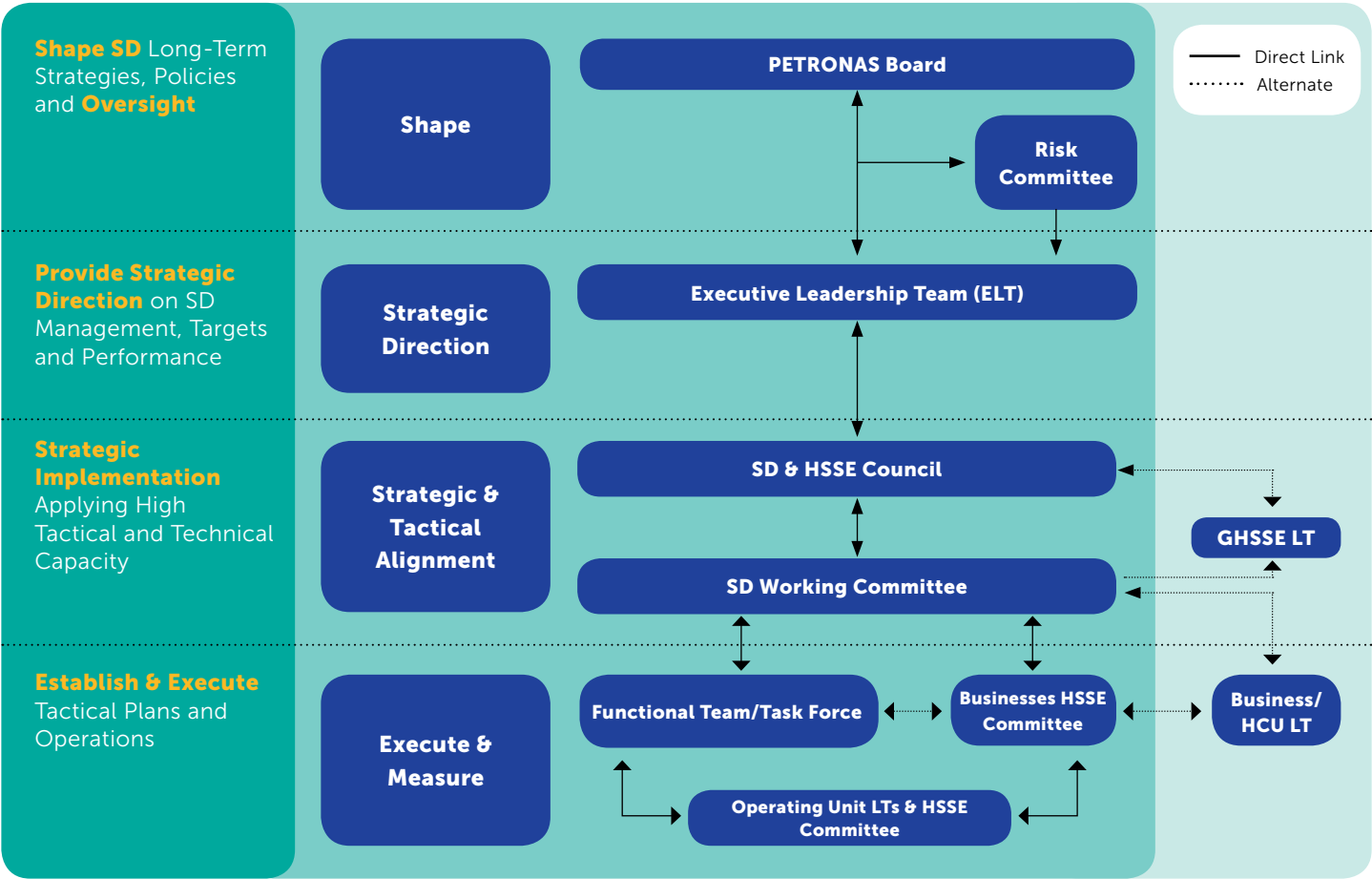
* All disclosures will be treated in the strictest confidence

Sustainability Governance

Sustainability Governance Structure

The Board has oversight for steering our Sustainability Agenda and for cascading its strategic implementation down throughout the PETRONAS Group via diverse roles and levels of accountability. Figure 1 depicts PETRONAS’ Sustainable Development (SD) Governance Structure including the inter-relationship between various management committees.

Figure 1:
PETRONAS SD Governance Structure



The PETRONAS Board shapes the long-term SD strategic objectives and related policies as well as sets the overall SD direction for the Group.

The Executive Leadership Team (ELT) supports the PETRONAS Board in achieving the Agenda by providing the strategic direction and steers development of SD through policies, commitments, long-term aspirations and Group level short/medium-term targets. The ELT receives periodic performance updates on the implementation progress of key SD strategies and initiatives across the Group either directly from the respective businesses or from the Sustainable Development and Health, Safety, Security and Environment (SD and HSSE) Council.

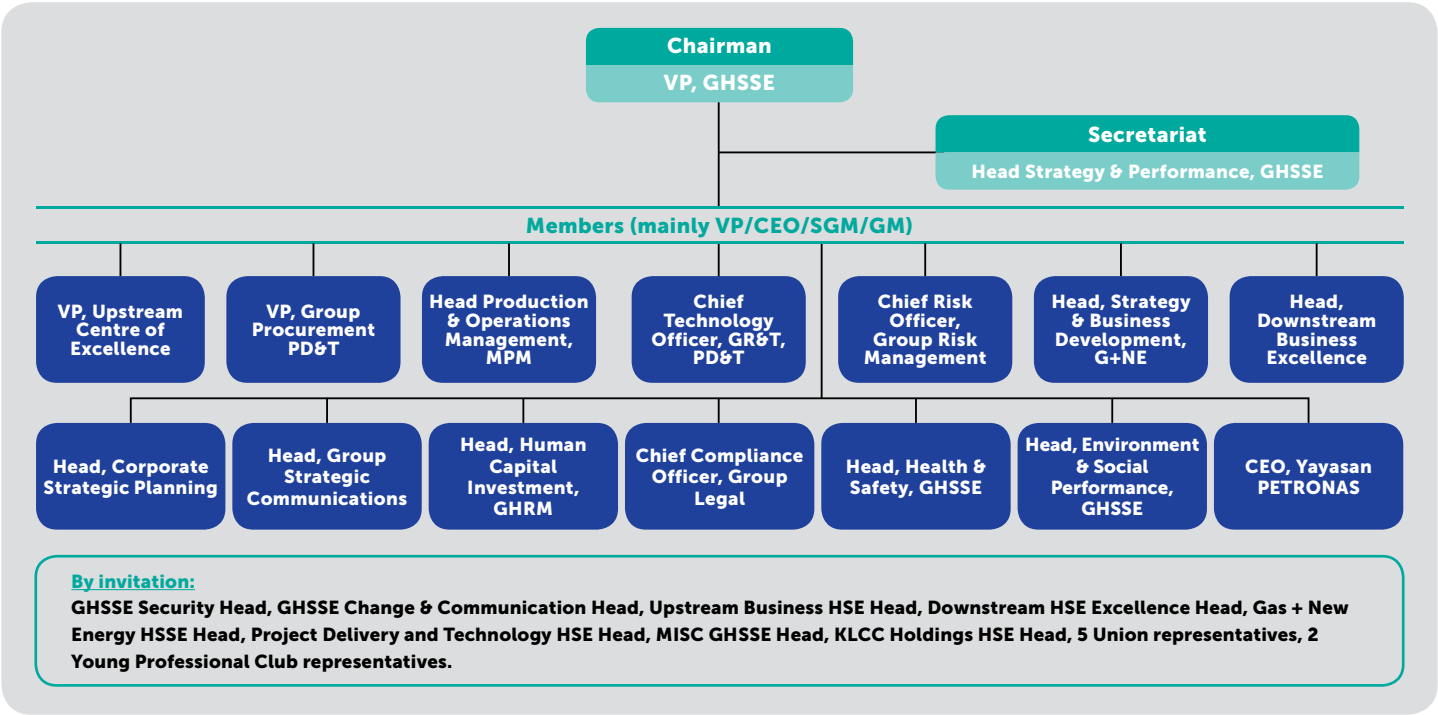
The SD and HSSE Council provides the steer on development and implementation of SD and HSSE strategies, as well as initiatives in PETRONAS to meet the expectations of key stakeholders (such as employees, customers and communities, governments, partners and investors) where the company operates.

The Council is accountable for facilitating integration of the SD and HSSE focus areas to drive implementation that is aligned with PETRONAS’ Statement of Purpose, Sustainability Agenda, and the seven priority UN SDGs, while ensuring value-driven deliverables. The Council shall update and/or make recommendations to the ELT on the progress of impactful HSSE and sustainability initiatives across PETRONAS that deliver any one or more of the SDGs.

Sustainability Governance

Currently, the Council is chaired by the Vice President (VP) of GHSSE, with members comprising a balanced representation of the senior management members from the Business Units (BUs) and Holding Company Units (HCUs) in key functions that support sustainability implementation. The structure of the Council is depicted in Figure 2 below:

Figure 2:
Composition of Membership for the PETRONAS SD and HSSE Council



Aside from management representatives from the various departments, the SD and HSSE Council also consist of permanent representation from diverse groups within PETRONAS which include the Head of Group Security, Heads of Businesses HSSE, PETRONAS Young Professional Club (YPC) and employee union representatives, to ensure inclusiveness in all decisions made in relation to sustainability. The Group has also established Working Groups that meet regularly and report on the progress of SD and HSSE-related matters to the Council.

The Sustainable Development Working Committee (SDWC) drives the Agenda through gradual implementation of SD activities across the Group in an integrated manner. The SDWC provides guidance, monitors the progress and reviews SD implementation in business practices, plans and initiatives in alignment with the Agenda. The Committee also oversees the disclosure of SD materiality topics and elements performance as well as long-term targets in PETRONAS reports. The Committee may report to the SD and HSSE Council on pertinent sustainability matters such as key SD endorsements made and recommend actions for continuous improvements, as and when required.

The involvement of the HCUs, BUs and Operating Units (OPUs) are key in making the Sustainability Agenda an integral part of PETRONAS’ culture and practices. The HCUs, BUs and OPUs implement/execute/integrate the SD strategies/plans/targets into their respective projects and operations. They also participate in the SDWC to ensure seamless sustainability orchestration across the Group.

Key Actions/Decisions made by the SD and HSSE Council in 2020

Provided strategic guidance and stewardship on SD and HSSE associated matters including:

Endorsement of PETRONAS NZCE 2050 aspiration.

Endorsement of PETRONAS sustainability roadmap.

Endorsement of Key SD metrics associated with GHG emissions as well as the installation of energy and educational beneficiaries. All these ultimately aim to provide clarity while ensuring the concerted efforts of the various businesses come together nicely.

Enabled disclosures of sustainability materiality elements performance and long-term targets to elevate PETRONAS’ sustainability reputation.

Steered and rallied the overall SD awareness and communications, both internally and externally.

Refer to the Material Topics section on pages 58 to 59 for more details.