

# Recharge

to Safeguard  
Good Practices

## Commitment to Governance

The PETRONAS Leadership Team  
and our commitment to good  
corporate governance

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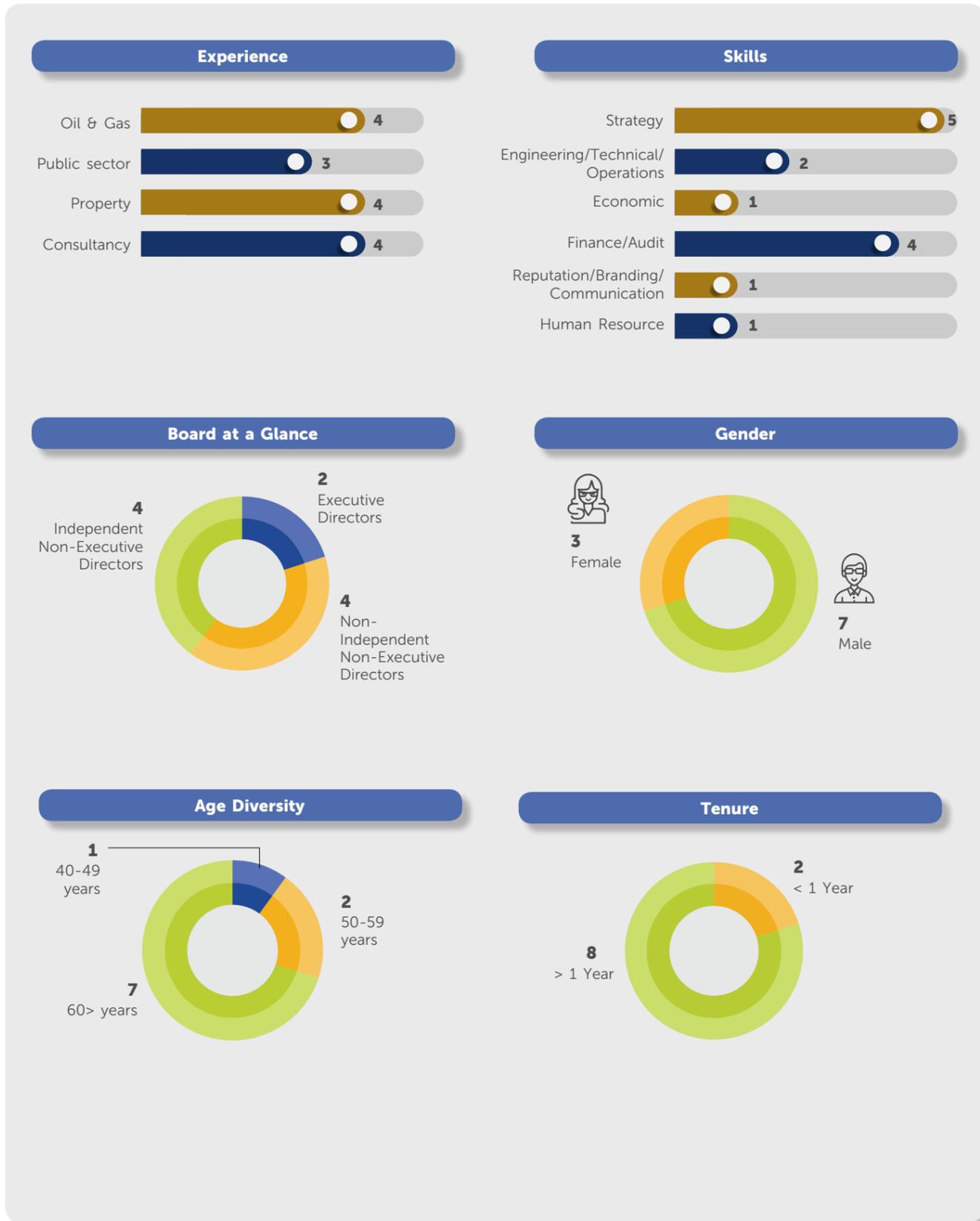
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## Board Composition



## Profile of Board of Directors

As of 28 February 2022

**Age:**  
67 years

**Gender:**  
Male

**Nationality:**  
Malaysian

**Date Appointed to the Board:**  
18 June 2019



**Tan Sri Dato' Seri Mohd Bakke Salleh**  
Non-Independent Non-Executive Director/Chairman

- Academic/Professional Qualifications**
- Fellow of Institute of Chartered Accountants in England and Wales
  - Member of the Malaysian Institute of Accountants
  - Bachelor of Science (Economics), London School of Economics, United Kingdom
- Past Appointments/Experiences**
- Held key positions in a number of Government-linked companies and local corporations:
- Chairman, Telekom Malaysia Berhad
  - Chairman, Federal Land Development Authority (FELDA)
  - Group President and Chief Executive Officer, Felda Global Ventures Holdings Berhad
  - Group Managing Director, Felda Holdings Berhad
  - Chairman, Yayasan FELDA
  - Executive Deputy Chairman and Managing Director, Sime Darby Plantation Berhad
  - President and Group Chief Executive, Sime Darby Berhad

- Council Member of Yayasan Sime Darby
- Chairman, Malaysian Palm Oil Board
- Chairman, Bank Islam Malaysia Berhad
- Non-Executive Director, Eastern & Oriental Berhad
- Group Managing Director and Chief Executive Officer, Lembaga Tabung Haji
- Director, Property Division of Pengurusan Danaharta Nasional Berhad
- Managing Director, Syarikat Perumahan Pegawai Kerajaan Sdn Berhad
- Group General Manager, Island & Peninsular Berhad
- Pro Chancellor of Universiti Putra Malaysia

- Other Current Appointments**
- Chairman, Yayasan PETRONAS
  - Honorary Council Member of Malaysian Palm Oils Associations (MPOA)

**Board Committee:**

Chairman of Committee
Member of Committee
AC Member of Audit Committee
RC Member of Risk Committee
NRC Member of Nomination and Remuneration Committee

### Profile of Board of Directors

As of 28 February 2022

-  **Age:**  
48 years

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-  **Gender:**  
Male

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-  **Nationality:**  
Malaysian

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-  **Date Appointed to the Board:**  
15 October 2018



#### Datuk Tengku Muhammad Taufik

Executive Director, President and Group Chief Executive Officer

##### 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

- Experienced in strategic planning, finance, and business strategy development with a focus on the oil and gas and energy industry
- Areas of expertise include developing and steering key business strategies, organisational transformation, and financial and risk management
- Advocate of a just and responsible energy transition by promoting regional partnerships to shape policy and catalyst innovation
- 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
- Director, MISC Berhad
- Director, KLCC Property Holdings Berhad

##### Other Current Appointments

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

##### Board Committee:

 Chairman of Committee  
  Member of Committee  
  Member of Audit Committee  
  Member of Risk Committee  
  Member of Nomination and Remuneration Committee

### Profile of Board of Directors

As of 28 February 2022

-  **Age:**  
62 years

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-  **Gender:**  
Male

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-  **Nationality:**  
Malaysian

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-  **Date Appointed to the Board:**  
15 May 2018



#### Ainul Azhar Ainul Jamal

Independent Non-Executive Director

##### Academic/Professional Qualifications

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

##### 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

- Chairman of Audit Committee, PETRONAS
- Member of Nomination and Remuneration Committee, PETRONAS
- Member of the Student Development Advisory Council, Universiti Teknologi PETRONAS, Malaysia

##### Board Committee:

 Chairman of Committee  
  Member of Committee  
  Member of Audit Committee  
  Member of Risk Committee  
  Member of Nomination and Remuneration Committee

### Profile of Board of Directors

As of 28 February 2022

-  **Age:**  
62 years

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-  **Gender:**  
Male

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-  **Nationality:**  
Malaysian

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-  **Date Appointed to the Board:**  
17 August 2020



**Dato' Razali Mohd Yusof**  
Independent Non-Executive Director

**NRC**

#### Academic/Professional Qualifications

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

#### Past Appointments/Experiences

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

#### Other Current Appointments

- Chairman of Nomination and Remuneration Committee, PETRONAS
- Director, Intralink Properties Sdn Bhd
- Director, Urban Terrace Sdn Bhd
- Director, Bagus Tioman Sdn Bhd

**Board Committee:**

 Chairman of Committee
 Member of Committee
**AC** Member of Audit Committee
**RC** Member of Risk Committee
**NRC** Member of Nomination and Remuneration Committee

### Profile of Board of Directors

As of 28 February 2022

-  **Age:**  
67 years

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-  **Gender:**  
Male

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-  **Nationality:**  
Malaysian

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-  **Date Appointed to the Board:**  
24 September 2021



**Thayaparan S. Sangarapillai**  
Independent Non-Executive Director

**RC**

**AC**

#### Academic/Professional Qualifications

- Fellow of the Institute of Chartered Accountants in England & Wales
- Member of the Malaysian Institute of Certified Public Accountants
- Chartered Accountant, Malaysian Institute of Accountants

#### Past Appointments/Experiences

- Possessed strong audit and business advisory background.
- His extensive experience and wide-ranging expertise spans over 35 years in areas that include financial reporting, internal controls and Initial Public Offerings.
- Began his career with PricewaterhouseCoopers (PwC) in Kuala Lumpur in 1983 and retired as a Senior Partner in 2015.

#### Other Current Appointments

- Chairman of Risk Committee, PETRONAS
- Member of the Audit Committee, PETRONAS
- Director/Chairman, the Audit Committee of Axiata Group Berhad and its subsidiary
- Director, Celcom Axiata
- Chairman, Robi Axiata
- Director, Sime Darby Berhad
- Chairman of Audit Committee and Member of Risk Committee, Sime Darby Berhad
- Director, AIG (Malaysia) Berhad
- Chairman of Audit Committee and Risk Committee, AIG (Malaysia) Berhad

**Board Committee:**

 Chairman of Committee
 Member of Committee
**AC** Member of Audit Committee
**RC** Member of Risk Committee
**NRC** Member of Nomination and Remuneration Committee

### Profile of Board of Directors

As of 28 February 2022



### Profile of Board of Directors

As of 28 February 2022



**Age:**  
71 years

**Gender:**  
Male

**Nationality:**  
Malaysian

**Date Appointed to the Board:**  
19 January 2022

**Age:**  
63 years

**Gender:**  
Male

**Nationality:**  
Malaysian

**Date Appointed to the Board:**  
17 August 2020

#### Datuk KY Mustafa

Non-Independent Non-Executive Director

##### Academic/Professional Qualifications

- Bachelor of Arts in Anthropology and Sociology from the University of Malaya

##### Past Appointments/Experiences

- Served the Sabah State Government for 33 years from 1974 to the year 2007
- Permanent Secretary to the Ministry of Infrastructure in 1996
- State Secretary to the State Government of Sabah in 2000 and held the position until his retirement in 2007
- Head of the State Public Service and Secretary to the State Cabinet
- Member of the Royal Commission of Inquiry on Immigrants in Sabah from 2012 to May 2014

##### Other Current Appointments

- Chairman of the State Sabah Public Service Commission
- Director, Suria Capital Holdings Berhad
- Director, Sabah Ports Sdn Bhd
- Director, Sawit Kinabalu Sdn Bhd
- Director, Borneo Samudera Sdn Bhd

##### Board Committee:

Chairman of Committee
Member of Committee
AC Member of Audit Committee
 RC Member of Risk Committee
 NRC Member of Nomination and Remuneration Committee

#### YB Dato Haji Ibrahim Haji Baki

Non-Independent Non-Executive Director

RC

##### Academic/Professional Qualifications

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

##### Past Appointments/Experiences

- Served as City Councillor and active in social welfare and charitable organisations
- Former Executive Chairman/Shareholder, Hubline Berhad
- Director/Shareholder, Gagasan Abadi Properties Sdn Bhd
- Chairman/Shareholder, Warisan Kenyalang Sdn Bhd
- Chairman/Shareholder, IBZ Corporation Sdn Bhd
- Chairman, Layang-Layang Aerospace Sdn Bhd
- Managing Director, Gagasan Sdn Bhd
- Commission Member of Registrar of Companies Malaysia (Companies Commission of Malaysia)

##### Other Current Appointments

- Chairman, Daya Builders Sdn Bhd, a Government Linked Company
- Chairman/Shareholder, Supreme Consolidated Resources Berhad
- Chairman, Redpyne Sdn Bhd
- Chairman/Shareholder, IBA Holdings Sdn Bhd
- Chairman, Lestari Asiabina Sdn Bhd
- Chairman/Shareholder of two newspapers, the New Sarawak Tribune and Suara Sarawak
- Member of Risk Committee, PETRONAS

##### Board Committee:

Chairman of Committee
Member of Committee
AC Member of Audit Committee
 RC Member of Risk Committee
 NRC Member of Nomination and Remuneration Committee

### Profile of Board of Directors

As of 28 February 2022

-  **Age:**  
54 years

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-  **Gender:**  
Female

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-  **Nationality:**  
Malaysian

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-  **Date Appointed to the Board:**  
15 October 2018



#### Zakiah Jaafar

Non-Independent Non-Executive Director

AC RC

#### 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 oversees the policy directions for the manufacturing and services sectors; science, technology and innovation; environment economics as well as knowledge-based economy

#### Other Current Appointments

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

#### Board Committee:

 Chairman of Committee
  Member of Committee
  Member of Audit Committee
  Member of Risk Committee
  Member of Nomination and Remuneration Committee

### Profile of Board of Directors

As of 28 February 2022

-  **Age:**  
69 years

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-  **Gender:**  
Female

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-  **Nationality:**  
Malaysian

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-  **Date Appointed to the Board:**  
17 August 2020



#### Tan Sri Zaharah Ibrahim

Independent Non-Executive Director

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

#### Other Current Appointments

- Member of Audit Committee, PETRONAS
- Member of Nomination and Remuneration Committee, PETRONAS

#### Board Committee:

 Chairman of Committee
  Member of Committee
  Member of Audit Committee
  Member of Risk Committee
  Member of Nomination and Remuneration Committee

## Profile of Board of Directors

As of 28 February 2022



**Age:**  
51 years

**Gender:**  
Female

**Nationality:**  
Malaysian

**Date Appointed to the Board:**  
1 June 2021



### Liza Mustapha

Executive Director, Executive Vice President & Group Chief Financial Officer

#### Academic/Professional Qualifications

- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Advance Management Program at Harvard Business School, United States of America
- Member of the Malaysian Institute of Accountants
- Bachelor of Science Degree in Economics, majoring in Accounting and Finance from The London School of Economics and Political Science, University of London

#### Past Appointments/Experiences

- Vice President, Group Procurement, Project Delivery and Technology, PETRONAS
- Chief Financial Officer, Upstream Business, PETRONAS
- Chief Financial Officer, PETRONAS Gas Berhad
- Head, Group Financial Control Department, PETRONAS
- Head, PETRONAS Group Treasury, where she led the centralisation of PETRONAS' treasury management.
- Finance Executive, PETRONAS Carigali Sdn Bhd

#### Other Current Appointments

- Chairman, Energas Insurance (L) Ltd
- Director, MISC Berhad
- Director, KLCC Property Holdings Berhad
- Director, KLCC REIT Management Sdn Bhd
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS International Corporation Ltd

#### Board Committee:

-  Chairman of Committee
-  Member of Committee
- AC** Member of Audit Committee
- RC** Member of Risk Committee
- NRC** Member of Nomination and Remuneration Committee

## Profile of Company Secretaries

As of 28 February 2022



**Age:**  
49 years

**Gender:**  
Female

**Nationality:**  
Malaysian

**Date Appointed to the Board:**  
1 June 2018



### Intan Shafinas (Tuty) Hussain

Company Secretary

#### Academic/Professional Qualifications

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

#### Past Appointments/Experiences

- Joined PETRONAS in 2001 and has over 21 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, Group Secretarial and Board Governance, PETRONAS
- Director, Malaysian Jet Services Sdn Bhd

## Profile of Company Secretaries

As of 28 February 2022



**Age:**  
49 years

**Gender:**  
Female

**Nationality:**  
Malaysian

**Date Appointed to the Board:**  
28 October 2021



### Nur Ashikin Khalid

Company Secretary

#### Academic/Professional Qualifications

- Master of Laws in Legal Aspects of Marine Affairs, University of Wales, Cardiff, United Kingdom
- Bachelor of Laws (Honours), University of Wales, Cardiff, United Kingdom
- Licensed Company Secretary

#### Past Appointments/Experiences

- Joined PETRONAS in 1996 and served in various positions in PETRONAS with exposure in various fields of law
- Previously served as Head of Legal and Company Secretary of PETRONAS Dagangan Berhad
- Other portfolios held include Head of Legal for the MLNG Group of Companies, Legal Counsel for PETRONAS Gas Berhad and Head of Gas Management in Legal Upstream, Group Legal
- Areas of expertise include company law, company secretarial and corporate governance

#### Other Current Appointments

- Head, Secretarial & Governance, Group Secretarial and Board Governance, PETRONAS
- Secretary, PETRONAS Executive Leadership Team

## Profile of Executive Leadership Team

As of 28 February 2022

We believe that sustained value creation is built on ethical leadership. The calibre of our leadership across our business is embodied in the commitment, experience and diversity of our Executive Leadership Team (ELT).

 <b>Datuk Tengku Muhammad Taufik</b> President and Group Chief Executive Officer			
 <b>Adnan Zainol Abidin</b> Chief Operating Officer and Executive Vice President and Chief Executive Officer, Gas Business	 <b>Liza Mustapha</b> Executive Vice President and Group Chief Financial Officer		
	 <b>Adif Zulkifli</b> Executive Vice President and CEO Upstream	 <b>Datuk Sazali Hamzah</b> Executive Vice President and CEO Downstream	
 <b>Mazuin Ismail</b> Senior Vice President, Corporate Strategy	 <b>Razman Hashim</b> Senior Vice President and Group General Counsel, Group Legal		
 <b>Bacho Pilong</b> Senior Vice President, Project Delivery and Technology		 <b>Farehana Hanapiah</b> Senior Vice President, Group Human Resource Management	

## Profile of Executive Leadership Team

As of 28 February 2022

### 1 Datuk Tengku Muhammad Taufik

President and Group Chief Executive Officer

**Age/Gender/Nationality:**  
48/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

#### 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
- Director, 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 Adnan Zainol Abidin

Chief Operating Officer and Executive Vice President and Chief Executive Officer, Gas Business

**Age/Gender/Nationality:**  
60/Male/Malaysian

**Date Appointed:**  
1 February 2022

#### Academic/Professional Qualifications:

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

#### Past Appointments/Experiences:

- Joined PETRONAS in 1984
- Possesses more than 38 years of experience in the oil and gas industry
- Other key positions currently held within the Group:
  - Chairman, PETRONAS Gas Berhad
  - Chairman, Malaysia LNG Sdn Bhd
  - Chairman, Malaysia LNG Dua Sdn Bhd
  - Chairman, Malaysia LNG Tiga Sdn Bhd
  - Chairman, Malaysia LNG 9 Sdn Bhd
  - Chairman, PETRONAS LNG Sdn Bhd
  - Chairman, PETRONAS Canada LNG Limited
  - Director, PETRONAS Carigali Sdn Bhd
  - Director, PETRONAS International Corporation Ltd
  - Director, LNG Canada Development Inc
- Other key positions previously held within the Group:
  - Executive Vice President, Gas + New Energy
  - Senior Vice President, Project Delivery and Technology
  - Vice President, LNG Assets
  - Vice President, Global LNG Projects

#### Other Current Appointments:

- Co-Chairman, Self Regulation Policy Directive Council

### 3 Liza Mustapha

Executive Vice President and Group Chief Financial Officer

**Age/Gender/Nationality:**  
51/Female/Malaysian

**Date Appointed:**  
1 July 2020

#### Academic/Professional Qualifications:

- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Advance Management Program at Harvard Business School, United States of America
- Member of the Malaysian Institute of Accountants
- Bachelor of Science Degree in Economics, majoring in Accounting and Finance from The London School of Economics and Political Science, University of London

#### Past 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, Energas Insurance (L) Ltd.
  - Director, KLCC Property Holdings Berhad (KLCCP)
  - Director, KLCC REIT Management Sdn Bhd (KLCCRM)
  - Director, MISC Berhad
  - Director, PETRONAS Carigali Sdn Bhd
  - Director, 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 of Board Audit Committee, MISC Berhad
- Member of Audit Committees of KLCCP and KLCCRM
- Member of Nomination and Remuneration Committees of KLCCP and KLCCRM
- Treasurer of Malaysian Petroleum Club

## Profile of Executive Leadership Team

As of 28 February 2022

### 4 Adif Zulkifli

Executive Vice President and Chief Executive Officer, Upstream

**Age/Gender/Nationality:**  
51/Male/Malaysian

**Date Appointed:**  
1 April 2019

#### Academic/Professional Qualifications:

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

#### Past 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, PETRONAS Energy Canada Ltd
  - Director, PETRONAS Carigali Sdn Bhd
  - Director, PETRONAS International Corporation Ltd
  - Trustee of the Abandonment Cess Fund
- Other key positions previously held within the Group:
  - Chairman, PETRONAS Gas Berhad
  - Chairman, 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 of International Petroleum Technology Conference Board of Directors
- Executive Committee Co-Chair of International Petroleum Technology Conference 2021 (Kuala Lumpur)
- Advisory Committee Member of the Offshore Technology Conference Asia (Kuala Lumpur) 2022

### 5 Datuk Szalzi Hamzah

Executive Vice President and Chief Executive Officer, Downstream

**Age/Gender/Nationality:**  
55/Male/Malaysian

**Date Appointed:**  
1 January 2022

#### Academic/Professional Qualifications:

- Chartered Fellow of the Institution of Chemical Engineers (IChemE)
- Bachelor of Chemicals Engineering, Lamar University, United States of America
- Advanced Management Programme, The Wharton School, University of Pennsylvania, United States of America
- Senior Management Programme, London Business School, London, United Kingdom

#### Past Appointments/Experiences:

- Joined PETRONAS in 1990
- Has 32 years of experience in the oil and gas industry in the fields of petroleum refining, petrochemicals, technical and engineering services and project delivery.
- Other key positions currently held within the Group:
  - Chairman, Pengerang Refining Company Sdn Bhd
  - Chairman, Pengerang Petrochemical Company Sdn Bhd
  - Director, PETRONAS Chemicals Group Berhad
  - Director, PETRONAS Refinery and Petrochemicals Corporation Sdn Bhd
  - Director, PETRONAS Carigali Sdn Bhd
  - Director, PETRONAS International Corporation Ltd
- Other key positions previously held within the Group:
  - Senior Vice President and Managing Director/Chief Executive Officer, PETRONAS Chemicals Group Berhad
  - Managing Director and Chief Executive Officer, Malaysia Refining Company Sdn Bhd
  - Managing Director and Chief Executive Officer, PETRONAS Technical Sdn Bhd
  - Head, Group Project Management and Delivery, PETRONAS
  - Head, PETRONAS Group Technical Services
  - Various senior management positions in the refinery and petrochemical business within PETRONAS

#### Other Current Appointments:

- Member of the International Advisory Panel for C-THRU Research Project

### 6 Mazuin Ismail

Senior Vice President, Corporate Strategy

**Age/Gender/Nationality:**  
54/Male/Malaysian

**Date Appointed:**  
16 April 2016

#### Academic/Professional Qualifications:

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

#### Past 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, PETRONAS Digital Sdn Bhd
  - Chairman, Petroleum Research Fund
  - Chairman, International Conference and Exhibition Professionals (iCEP)
  - Director, Malaysian Industry-Government Group for High Technology (MIGHT)
  - Director, Institute of Technology PETRONAS Sdn Bhd
  - Director, PETRONAS Carigali Sdn Bhd
  - Director, PETRONAS International Corporation Ltd
  - Director, PTV International Ventures Ltd
- Other key positions previously held within the Group:
  - Senior Vice President of Project Delivery and Technology
  - Vice President of Technical Global (PETRONAS)

#### Other Current Appointments:

- Nil

## Profile of Executive Leadership Team As of 28 February 2022

**7 Razman Hashim**  
Senior Vice President and  
Group General Counsel, Group Legal

**Age/Gender/Nationality:**  
48/Male/Malaysian

**Date Appointed:**  
1 July 2021

**Academic/Professional Qualifications:**

- Bachelor of Laws and Shariah from International Islamic University Malaysia
- Licensed Company Secretary

**Past Appointments/Experiences:**

- Joined PETRONAS in 1998
- Has more than 24 years of experience in the legal and secretarial fields.
- Other key positions previously held within the Group:
  - Head of Legal Upstream, PETRONAS
  - General Counsel, Legal Upstream International, Legal Upstream
  - Company secretary to PETRONAS Carigali Sdn Bhd and PETRONAS International Corporation Ltd
  - Directors of various entities within Upstream business
  - Member of Joint Management Committee of Garraf Operations, Iraq

**Other Current Appointments:**

- CEO, Kulliyah, Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia

**8 Bacho Pilong @ Pelu**  
Senior Vice President,  
Project Delivery and Technology

**Age/Gender/Nationality:**  
57/Male/Malaysian

**Date Appointed:**  
1 August 2021

**Academic/Professional Qualifications:**

- Bachelor of Chemical Engineering from Cockrell School of Engineering, University of Texas, Austin, United States of America
- Senior Management Development Program, INSEAD, Singapore
- Advanced Management Program, AMP 65, The Wharton School, University of Pennsylvania

**Past Appointments/Experiences:**

- Joined PETRONAS in 1992
- Has more than 31 years of experience in the oil and gas industry
- Other key positions currently held within the Group:
  - Chairman, PETRONAS Research Sdn Bhd
  - Chairman, PETRONAS Technical Services Sdn Bhd
  - Chairman, Institute of Technology PETRONAS Sdn Bhd
  - Director, PETRONAS LNG 9 Sdn Bhd
  - Director, UTP FutureTech Sdn Bhd
  - Board of Trustees, Dana Asy-Syakirin
- Other key positions previously held within the Group:
  - VP Malaysia Assets, Upstream
  - VP International Assets, Upstream
  - SGM, Petroleum Operations Management, Malaysia Petroleum Management, Upstream
  - Head, Special Projects, Corporate Strategic Planning
  - President, Sudd Petroleum Operating Company
  - President, White Nile Petroleum Operating Company
  - General Manager, Exploration & Production, Greater Nile Petroleum Operating Company
  - GM, PETRONAS Carigali Sdn Bhd – Sarawak Operations

**Other Current Appointments:**

- Nil

**9 Farehana Hanapiah**  
Senior Vice President,  
Group Human Resource Management

**Age/Gender/Nationality:**  
54/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

**Past Appointments/Experiences:**

- Joined PETRONAS in 1990
- Has more than 31 years of experience in corporate functions
- Other key positions currently held within the Group:
  - Chairman, PETRONAS Management Training Sdn Bhd
  - Chairman, PETRONAS Technical Training Sdn Bhd
  - Chairman, Dana Asy-Syakirin
  - Chairman, PETRONAS Lubricants International Sdn Bhd's Nomination and Remuneration Committee
  - Director, Institute of Technology PETRONAS Sdn Bhd
  - Director, PETRONAS Digital Sdn Bhd
  - Director, 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:**

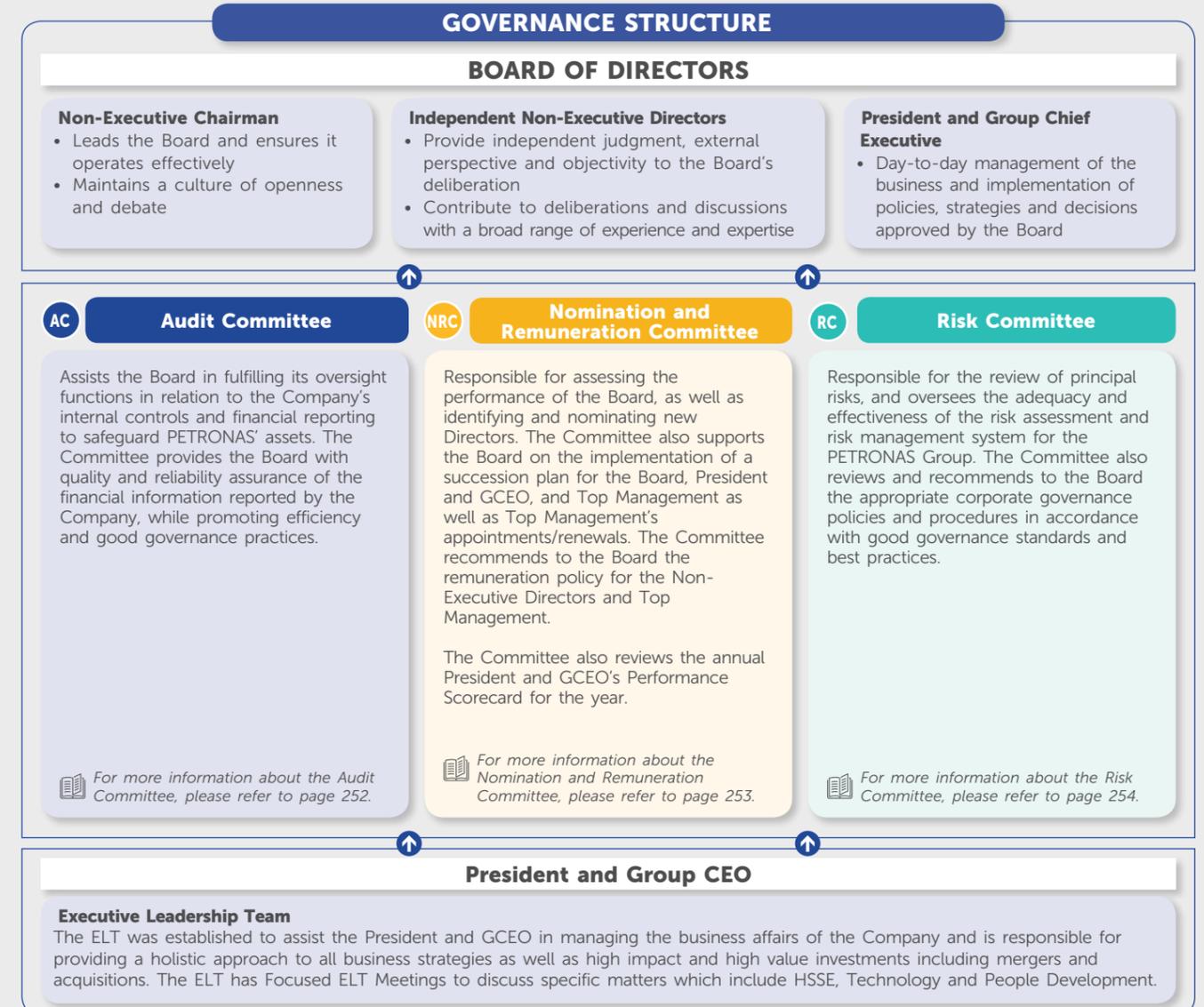
- Council Member of the Global CHRO Council – The Conference Board

## Corporate Governance at PETRONAS

### Board Governance and Structure

“In 2021, PETRONAS had demonstrated resilient performance amidst the difficult global business environment. The significant economic contraction triggered by COVID-19 has been a real test of corporate governance in practice across organisations around the world. At PETRONAS, the focus has consistently been to apply the best practice of corporate governance principles throughout the Group. In building a sustainable business, the Board is cognisant of its accountability to the shareholders and various stakeholders of PETRONAS. To this end, the Board resolutely ensures that it demonstrates effective leadership and promotes unequivocally high ethical standards in its decision-making process.”

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 whilst facilitating efficient decision-making at all levels.



## Corporate Governance at PETRONAS

### Board Leadership

The Board provides effective stewardship 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.

The differing roles of the Chairman and the President and Group Chief Executive Officer (President and GCEO) are acknowledged and set out in the Board Charter. The Chairman of the Board is not a member of any of the Board Committees.

The Board exercises collective oversight at all times. In delegating its authority to the Board Committees, the Board does not abdicate its responsibilities. The Board further ensures that such delegation does not hinder or reduce the Board's ability to discharge its functions. In this regard, the Board clearly sets out the division of responsibilities in the respective Terms of Reference (TOR) of the Board Committees.

Together with Management, the Board upholds good corporate governance culture within the Company by ensuring ethical leadership, prudent and professional behaviour in the conduct of its business and in all aspects of its operations.

### 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 debates and decisions are constructive and robust.

Access to Board papers by the Board members is carried out online through a collaborative software, with the aim of enhancing the efficiency of the Board process. Going digital allows the Directors to access, read and review the Board papers, as well as enabling the Board members to confer with each other and with the Company Secretaries, electronically. Board Papers and presentations by the Management to the Board are prepared and delivered in a manner that ensures clarity and provide sufficient understanding of the subject matter.

During 2021, the Board met on 24 occasions of which almost all meetings were conducted virtually. Although the quorum for the Board meeting is two, majority of the Board meetings were attended by all Directors. Whilst a decision of the Board only requires a majority of votes of the Directors, all decisions were made on consensus basis.

Each Director has full access to the services of the Company Secretaries, who play an advisory role to the Board by providing guidance on corporate governance, ethical business practices, compliance to the Company's Constitution, policies and procedures and the relevant regulatory requirements, guidelines and legislation.

The Board may from time to time and if deemed appropriate, consider and approve urgent matters via Directors' circular resolution. All circular resolutions passed by the Board are tabled at the next Board meeting for notation.

The Board practises active and open discussions at its meetings so as to ensure that opportunities are given to all Directors to participate and contribute to the decision-making process. Robust discussions and vigorous deliberations at the Board meetings ensure that the process of effective and healthy dialogue is achieved.

The respective Chairmen of the Audit Committee, Nomination and Remuneration Committee, and Risk Committee provide regular updates to the Board subsequent to the proceedings of their respective Committee meetings.

All proceedings of Board meetings are duly minuted and signed. Minutes of each Board meeting accurately reflect the deliberations and decisions of the Board, including any dissenting views and if any Director had abstained from voting or deliberating on a particular matter. Minutes of the Board meetings are properly kept by the Company Secretary.

### Matters Reserved for the Board

The Board has an approved and documented schedule of matters reserved for its decision as follows:

- Strategy and Management** – Strategy, policies, annual budgets and major investment decisions which include capital projects, mergers and acquisitions, and funding requirements.
- Financial, Governance and Risk** – Financial reporting and control, and risk management.
- Corporate Matters** – Reputation and stakeholder management, Health, Safety, Security and Environment (HSSE), Board and Board Committees' memberships, and Directors' remuneration and succession planning.

## Corporate Governance at PETRONAS

### 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 affecting 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.
- Fosters a corporate culture that promotes ethical practices, encourages individual integrity and the fulfilment of the Company's corporate social responsibilities.
- Champions the Company's values and behaviours across the whole Group.

#### 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 monitors the delivery of Group strategy within the risk and control environment set by the Board.
- Bring independent judgment and scrutiny to the decisions taken 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 and ethical business practices.

## Corporate Governance at PETRONAS

### Attendance at Meetings

The prolonged COVID-19 pandemic continued to affect the Board's ability to hold physical Board meetings. Nonetheless, the Board had successfully navigated the crisis during the year under review by conducting most of its meetings virtually. The Directors' commitment to carry out their duties and responsibilities is affirmed by their attendance at the Board meetings held as set out below. A total of twenty-four Board meetings were held during the year under review.

The number of meetings of the Board and Board Committees during the year ended 31 December 2021, together with a record of the attendance is detailed in the table below:

Directors as at 28 February 2022	Board	Audit Committee	Nomination and Remuneration Committee	Risk Committee
<b>Tan Sri Dato' Seri Mohd Bakke Salleh</b> Chairman/Non-Independent Non-Executive Director	23/24*	3/3	–	4/4
<b>Datuk Tengku Muhammad Taufik</b> Executive Director/President and Group Chief Executive Officer	24/24	–	–	–
<b>Zakiah Jaafar</b> Non-Independent Non-Executive Director	21/24	5/6	–	5/7
<b>Dato Haji Ibrahim Haji Baki</b> Non-Independent Non-Executive Director	22/24	–	–	6/7
<b>Tan Sri Zaharah Ibrahim</b> Independent Non-Executive Director	24/24	6/6	8/8	–
<b>Dato' Razali Mohd Yusof</b> Independent Non-Executive Director	24/24	–	8/8	–
<b>Ainul Azhar Ainul Jamal</b> Independent Non-Executive Director	24/24	6/6	8/8	–
<b>Liza Mustapha</b> Executive Director/Group Chief Financial Officer (Appointed w.e.f 1.6.2021)	16/16	–	–	–
<b>Thayaparan S. Sangarapillai</b> Independent Non-Executive Director (Appointed w.e.f 4.9.2021)	8/8	2/2	–	2/2
<b>Datuk KY Mustafa</b> Non-Independent Non-Executive Director (Appointed w.e.f 19.1.2022)	–	–	–	–

\* Tan Sri Dato' Seri Mohd Bakke Salleh was excused from attending a Special Board meeting in 2021 which was held for the purpose of appointing him as Chairman of the Board.

Director who has retired in 2021	Board	Audit Committee	Nomination and Remuneration Committee	Risk Committee
<b>Tan Sri Ahmad Nizam Salleh</b> (Retired w.e.f 1.8.2021)	12/12	–	–	–

## Corporate Governance at PETRONAS

### Board Balance and Effectiveness

#### Board Balance and Composition

As at the date of this report, the Board of Directors of PETRONAS comprises ten members; the Non-Executive Chairman, two Executive Directors and seven Non-Executive Directors (NEDs), out of which four are Independent Non-Executive Directors (INEDs). The biographical details of the Directors are set out on pages 229 to 238.

The size and composition of the Board is fundamental to its success in providing strong and effective leadership. The presence of Non-Executive Directors ensures that no individual or small group of Directors are able to dominate the decision-making process and that the interests of shareholders and stakeholders are protected.

During the year under review, the Board saw some changes and new appointments to its composition.

In view of the retirement of Tan Sri Ahmad Nizam Salleh effective 1 August 2021, Tan Sri Dato' Seri Mohd Bakke Salleh was appointed as the new Chairman of PETRONAS effective 1 August 2021. With this appointment, Tan Sri Dato' Seri Mohd Bakke's status has been re-designated as Non-Independent Non-Executive Director (NINED).

The Board wishes to record its appreciation and gratitude to Tan Sri Ahmad Nizam Salleh during his tenure as Chairman of the Board.

The Board also welcomed Thayaparan S. Sangarapillai as an INED and Datuk KY Mustafa as a NINED on the PETRONAS Board effective 24 September 2021 and 19 January 2022, respectively.

The current composition of the Board has a blend of skills, experience and knowledge enabling them to provide effective oversight, strategic guidance and constructive challenge, review and deliberation on the Management's proposals.

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 the Board to operate effectively.

#### 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. Diversity is also important to ensure the Company remains relevant, resilient and sustainable in the rapidly transforming and evolving business environment.

Whilst it is important to promote diversity, the normal selection criteria of a Director based on an effective blend of competencies, skills, experience and knowledge in areas identified by the Board remains a priority so as not to compromise the effectiveness in carrying out the Board's functions and duties. The Board is committed to ensure that its composition not only reflects diversity but will also have the right mix of skills and balance to contribute to the achievement of the Company's goals and objectives.

## Corporate Governance at PETRONAS

### 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:

**1 Prior to the Appointment of Non-Executive Directors**

Prior to the appointment of NEDs, the independence of each individual candidate will be reviewed and determined by the Board based on the recommendations from the NRC upon reviewing his/her criteria per the PETRONAS Independent Directors Guidelines.

**2 Annual Review**

The Board determines the independence of each NEDs annually, based on the recommendations from the NRC per the PETRONAS Independent Directors Guidelines.

**3 Notice of Change of Circumstances**

Each NEDs has an affirmative obligation to notify the NRC of any change in circumstances that may affect his/her independence status. Once notified, the NRC shall re-evaluate the independence status and make the necessary recommendations to the Board.

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.

In line with the exemplary practices of corporate governance, the Board has adopted a tenure policy whereby an INED's total tenure on the Board is capped at nine years. As at the date of this Statement, none of the INEDs has served the Board more than nine years.

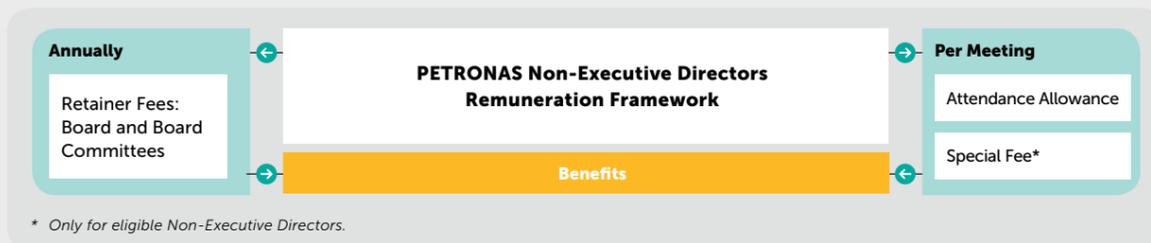
### Conflict of Interest

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:



## Corporate Governance at PETRONAS

### 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 and extensive onboarding programme for new Directors, including meetings with key senior leadership team, bespoke training on relevant regulatory and legal obligations and onboard 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 tailor-made to the requirements of Directors across the Group, 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.

## Corporate Governance at PETRONAS

### Board Commitment to Sustainability

The Board acknowledges that the well-being of the employees, customers, suppliers and other stakeholders as well as the environment and the society at large is central to sustaining our long-term performance and continued relevance. Careful consideration of the needs of a broader universe of stakeholders ultimately drives value for the shareholders.

The heightened materiality of sustainability to the business requires the Board to factor in these sustainability components, risks and opportunities into its strategies at all times. The Board being the highest authority in sustainability governance, takes full responsibility in the establishment of the Company's sustainability agenda and road map.

The full report on Sustainability Governance is found on pages 170-173 of this Report.

### Board Committees

#### Audit Committee

AC

- **Ainul Azhar Ainul Jamal** – *Chairman*
- **Tan Sri Zaharah Ibrahim**
- **Zakiah Jaafar**
- **Thayaparan S. Sangarapillai**  
*(Appointed w.e.f. 24.9.2021)*
- **Tan Sri Dato' Seri Mohd Bakke Salleh**  
*(Resigned w.e.f. 24.9.2021)*

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

The AC discharges its responsibilities through its scheduled meetings during the year in accordance with its fixed agenda which covers the matters under the purview of the AC. The AC met 6 times in 2021.

For more information about the AC's attendance, please refer to page 248.

#### Key Matters in 2021

##### Financial

During the year under review, the AC reviewed the quarterly financial results and the financial performance of business segments and of the PETRONAS Group, and also its report for the financial year ended 31 December 2021 to ensure that they were prepared in compliance with the relevant regulatory requirements and guidelines.

The AC also reviewed the effects of the application of accounting judgments and estimates on impairment assessment and provision for decommissioning, dismantling, removal and restoration (DDRR).

## Corporate Governance at PETRONAS

#### Internal Control and Audit Activities

The AC deliberated and endorsed internal audit reports which included opinions on the adequacy and effectiveness of governance and internal controls, audit findings' root causes and implications and the recommended corrective actions to be undertaken by the Management. The internal audit exercises include audit on the following key areas (but not limited to):

- Business and operational activities are carried out effectively and efficiently.
- Delivery of selected ongoing projects focusing on project management activities, reliability of reporting and compliance to the applicable regulatory and procedural requirements.
- Efficiency and effectiveness of operations management, the existence of internal controls and safety management as well as accuracy, reliability and timely reporting on selected domestic and international assets.
- Efficiency and effectiveness of selected ongoing initiatives within the Group.

- Audit review on the commercial trading and marketing activities of key accounts within the various businesses in Malaysia and selected international offices.
- Audit review on shareholders of selected joint venture companies.
- Applicable policies, procedures, laws and regulations are complied with.

The AC also reviewed and endorsed the comprehensiveness of the Annual Audit Plans developed based on the enterprise business risks, strategies, audit history results and stakeholder feedback, overall performance of Group Internal Audit and audit operations and enhancement and clarity of Audit Rating. Updates on Agreed Corrective Actions arising from audit assignments are also reviewed on a quarterly basis to ensure the proposed audit activities are carried out as per emerging and relevant risks as well as business strategies.

The AC together with the external auditors, reviewed the results of the statutory audit and the audit report. The AC also reviewed the proposed fees for the statutory audits and limited review fees for PETRONAS and selected subsidiaries.

#### Nomination and Remuneration Committee

NRC

- **Dato' Razali Mohd Yusof** – *Chairman*
- **Ainul Azhar Ainul Jamal**
- **Tan Sri Zaharah Ibrahim**

The NRC carries duties and responsibilities in relation to the nomination and remuneration matters with strict adherence to the principles of good corporate governance.

The NRC is responsible in assisting the Board in ensuring that the Board and Board Committees retain an appropriate structure, size, balance of skills and experience, as well as independence and diversity required to meet PETRONAS' strategic objectives. The NRC is also responsible to review, prior to the Board's approval, the appointments and succession planning of PETRONAS' Top Management.

The NRC discharges its responsibilities through its scheduled meetings during the year in accordance with its fixed agenda which covers the matters under the purview of the NRC. The NRC met 8 times in 2021.

For more information about the NRC's attendance, please refer to pages 248.

## Corporate Governance at PETRONAS

### Key Matters in 2021

- The NRC reviewed and made recommendations to the Board on the status of independence of the Non-Executive Directors (“NEDs”) of PETRONAS in line with the requirements of the PETRONAS Independent Directors Guidelines on the annual review of independence of the NEDs.
- The NRC reviewed PETRONAS’ Top Management appointments, contract renewals and contract cessations, as well as succession planning and development opportunities.
- During the year under review, the NRC had reviewed and endorsed the establishment of a Chief Operating Officer (COO) position and the assignment of the role to the existing Executive Vice President, Gas + New Energy Business, as well as the establishment of a succession plan for the President and Group CEO. In addition, the NRC had also endorsed the appointment of the Chief Sustainability Officer to orchestrate PETRONAS’ roadmap for PETRONAS’ net zero carbon emissions by 2050 aspiration.
- The NRC reviewed and endorsed the enhanced guidelines based on pay-for-job principle for the appointment of Top Management (which includes appointment to higher position) and management of employment contracts.
- The NRC reviewed and endorsed the establishment of Top Management Performance Measurement (“TMPM”) and enhancement of Top Management Incentive Plan i.e. Short-Term and Long-Term Incentive Plans to encourage desired leadership behaviours to successfully deliver PETRONAS’ long-term ambition, which includes the incorporation of the ESG weightage of 20 per cent into the Top Management’s Long-Term Incentive Plan.
- The NRC also reviewed and endorsed the establishment of the 2021 President and Group CEO’s Performance Measurement to balance between Perform and Transform objectives with emphasis on enterprise outcomes and promote desired behaviours.

### Risk Committee

RC

- **Thayaparan S. Sangarapillai** – *Chairman*  
(Appointed w.e.f. 24.9.2021)
- **Zakiah Jaafar**
- **Tan Sri Dato’ Seri Mohd Bakke Salleh**  
(Resigned w.e.f. 24.9.2021)
- **Dato Hj. Ibrahim Hj. Baki**

The RC supports the Board in reviewing principal risks, oversees the adequacy and effectiveness of risk assessment and risk management system for PETRONAS Group. The Committee also deliberates on risk mitigation strategies and measures, review investment proposals that are significant from the risk perspective as well as monitor the activities on integrity-related initiatives for the PETRONAS Group.

The RC discharges its responsibilities through its scheduled meetings during the year in accordance with its fixed agenda which covers the matters under the purview of the RC. The RC met 7 times in 2021.

For more information about the RC’s attendance, please refer to page 248.

### Key Matters in 2021

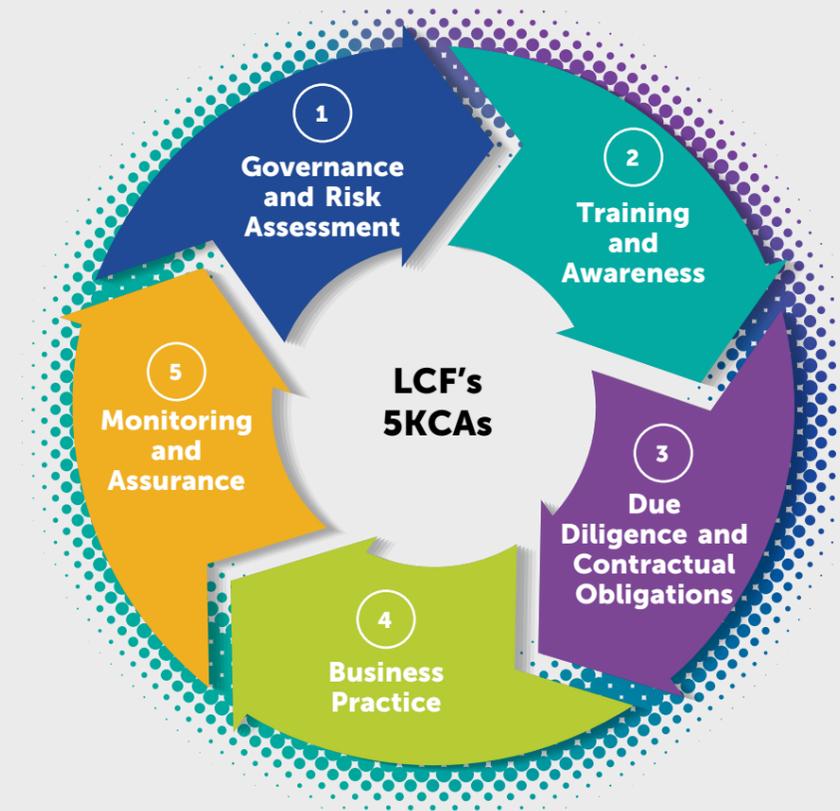
- The Committee assisted the Board in deliberating the PETRONAS Group’s Corporate Risk Profile and Risk Appetite on a quarterly basis. Additionally, revisions to Risk Appetite were recommended by the Committee and approved by the Board for adoption in line with the requirement of the business objectives and strategies.
- The Committee also played its oversight role in reviewing risks related to strategic and high impact business matters such as investment decisions for key projects during the year.
- The Committee appraised the performances and activities of Group Integrity on a quarterly basis and was also updated on the progress of the Group’s integrity and governance programmes.
- The Committee also reviewed the report and activities of the Company’s Portfolio Commodity Hedging programmes on a quarterly basis.

## Corporate Governance at PETRONAS

### Compliance

PETRONAS has consistently championed compliance culture guided by the principles of its Shared Values and Statement of Purpose. Based on these principles, the compliance culture in the 5 Critical Legal Areas (5CLAs) is inculcated among PETRONAS employees through the embedment of a robust compliance programme, coordinated and managed by Group Legal via the Legal Compliance Framework (LCF). The components of LCF which include the 5 Key Compliance Areas (5KCAs) are our key focus in strengthening the compliance culture, supported with consistent messaging from the PETRONAS Board and Management.

### 5 Key Compliance Areas



In operationalising and ensuring global and groupwide compliance, the compliance management team is structured to serve the business sectors at headquarters, with regional offices in Asia Pacific, Europe, Middle East and Americas to cover all countries PETRONAS operates in. Through a risk based and “adopt-or-adapt” approach, the regional compliance management offices support the implementation of Group positions and enterprise controls, and conduct compliance programme and activities that adhere to and are in line with local laws and regulations. Frequent meetings and discussions are held to ensure alignment of compliance practices and that regional activities are connected and communicated regularly with the headquarter.

## Corporate Governance at PETRONAS

### 1 Governance and Risk Assessment

PETRONAS establishes various governance documents such as policies, standards, guidelines, frameworks and procedures which are the foundation for carrying out internal controls in relation to the 5CLAs. The relevant governance documents are continuously enhanced and improved throughout the year, and required to be adopted and implemented by PETRONAS entities across the Group.

#### Governance Documents for 5CLAs

##### Ethics and Integrity

- PETRONAS Code of Conduct and Business Ethics
- PETRONAS Anti-Bribery and Corruption Manual
- PETRONAS Whistleblowing Policy
- PETRONAS Raid Protocol
- PETRONAS Human Rights Commitment

##### Data Privacy

- PETRONAS Corporate Privacy Policy
- PETRONAS Master Guidelines to the PETRONAS Corporate Privacy Policy
- PETRONAS Data Protection Impact Assessment Guidelines
- PETRONAS Personal Data Breach Protocol

##### Sanctions and Export Controls

- PETRONAS Economic Sanctions and Export Control Policy & Guidelines
- PETRONAS Sanctions Breach Protocol

##### Competition

- PETRONAS Competition Law Guidelines
- PETRONAS Competition Law Compliance Protocols:
  - Merger and Acquisition Transactions Protocol
  - Meetings and information Sharing Protocol

### 2 Training and Awareness

PETRONAS continues to deliver enterprise or customised training and awareness programmes for its employees and Directors to ensure firm understanding of the 5CLAs through various digital and communication platforms. Online courses, webinars and virtual trainings were the primary methods used in light of the prolonged COVID-19 pandemic. These methods have enabled PETRONAS to accelerate the training completion by all PETRONAS employees as part of its continuous efforts to instill the 5CLAs compliance culture across PETRONAS Group. Throughout 2021, more than 90 per cent of PETRONAS employees group wide had completed the 5CLAs online courses.

### 3 Due Diligence and Contractual Obligations

PETRONAS manages its third-party risks through PETRONAS Third Party Risk Management (TPRM), a robust due diligence process to safeguard PETRONAS Group from any exposure to the 5CLAs in the event of misconduct by third parties (e.g. partners, contractors, vendors, suppliers, distributors, agents).

PETRONAS TPRM, which applies to all businesses, enable PETRONAS to detect possible red-flags of potential third parties prior to any formal engagement or during the business relationship with such third parties, and to provide the necessary mitigation or contractual safeguard against any risks of legal, financial or reputational damage that may be caused toward PETRONAS.

## Corporate Governance at PETRONAS

### 4 Business Practice

PETRONAS reviews its policies and guidelines on a regular basis and endeavours to ensure these policies and guidelines are effectively updated and in line with any changes in the 5CLAs. This review is undertaken for continuous improvements and putting in place pre-emptive measures to safeguard PETRONAS from breaching the 5CLAs.

#### a) Enhancement to PETRONAS Group Privacy Notice

The PETRONAS Group Privacy Notice is intended to clearly inform individuals on how PETRONAS collects and processes personal data. The enhancement of the PETRONAS Group Privacy Notice includes the expansion of categories of personal data collected and processed by PETRONAS Group, adding specific sections on processing a minor's personal data and information for data subject in the UK and the EU on the lawful basis for processing personal data as required under General Data Protection Regulation (GDPR).

#### b) Enhancement to the PETRONAS Competition Law Guidelines

The PETRONAS Competition Law Guidelines was established to outline the main competition law principles applicable in all jurisdictions where PETRONAS Group operates to build the compliance culture, hence ensuring that all employees strictly comply with these rules in their day-to-day business. However, with the continuous evolution in the competition/anti-trust laws, an enhancement of the PETRONAS Competition Law Guidelines is essential in making sure it remains relevant and applicable to PETRONAS operations in Malaysia and globally. The revised guidelines include relevant scenarios leveraging from practical business experiences to guide PETRONAS employees when dealing with actual or potential competition issues.

#### c) Establishment of PETRONAS Data Protection Impact Assessment Guidelines

The PETRONAS Data Protection Impact Assessment (DPIA) Guidelines is a high-level universal guideline designed to ensure the necessary data protection controls are incorporated in the identified processes for the purpose of compliance with the PETRONAS Corporate Privacy Policy and local data protection legislation.

#### d) Establishment of PETRONAS Personal Data Breach Protocol

Personal data protection laws continue to evolve in Malaysia and other countries. It is expected that more countries will enact or revise their data privacy laws to require notification to data privacy authorities and the individuals affected in the event of a personal data breach. Thus, the Personal Data Breach Protocol was established with the objective of providing a high-level process flow in the event of a potential or actual breach of personal data to expedite effective action to prevent or minimise any adverse implications to PETRONAS Group.

#### e) Establishment of PETRONAS Sanctions Breach Protocol

PETRONAS Group may encounter situations or issues involving sanctions due to its operations in various jurisdictions. Some of these situations require swift action in a particular manner consistent with the applicable laws and PETRONAS governance processes. In light of this, the Sanctions Breach Protocol was established with the objective of providing specific actions to be taken in an efficient and effective manner, if any of these situations occur.

#### f) Enhancement to PETRONAS Third Party Risk Management

As part of the continuous improvement to manage PETRONAS' third-party risks, the KYC Questions and compliance clauses on the 5CLAs in the TPRM are further revised and strengthened based on the experience of in-house counsels in dealing with various third parties and compliance issues. A simplified KYC Questions document and compliance clauses were also established for third parties under special categories that pose a lower risk to PETRONAS.

## Corporate Governance at PETRONAS

### 5 Monitoring and Assurance

PETRONAS ascertains the effectiveness of control established through rigorous monitoring and assurance activities. The control oversight and monitoring of the 5CLAs' compliance are achieved through a structured compliance assessment undertaken by PETRONAS entities annually in accordance with the PETRONAS Integrated Assurance Program. In addition to the compliance assessment, the on-going evaluations by Group Legal and periodic reviews and audits by Internal Audit enable the effective identification, assessment and necessary intervention action to address potential areas of non-compliances and unsound practices, as well as the identification of new or existing controls to be developed or enhanced to continuously improve the legal compliance posture of PETRONAS Group.

### PETRONAS Commitment to Integrity

PETRONAS adopts zero tolerance to any forms of bribery and corruption. The PETRONAS CoBE, PETRONAS Anti-Bribery and Corruption Manual and PETRONAS Whistleblowing Policy are in place to guide PETRONAS employees and third parties when dealing with potential or actual bribery and corruption situations in the course of their day-to-day activities. These governance documents form part of the controls established under the PETRONAS Integrity Compliance Framework (PICF). PICF is the overarching framework in shaping integrity and compliance posture and propagation of integrity and business ethics within PETRONAS Group.

The programmes planned and developed under PICF are coordinated and monitored by the PETRONAS Integrity Awareness Committee (PIAC) to ensure that they are implemented in an effective, integrated, and structured manner. In 2021, the composition of PIAC members were expanded to include key representatives from Corporate Centre and Business Divisions across PETRONAS Group to enhance ownership and accountability as well as to ensure direct and effective implementation of ethics and integrity controls and initiatives within PETRONAS Group.

With heightened expectation for organisations to elevate integrity and transparency in all dealings, and PETRONAS' own demonstrated commitment and leadership in the ethics and compliance sphere, PETRONAS has further strengthened its presence by becoming a member of Partnering Against Corruption Initiative (PACI), a group under World Economic Forum (WEF). PACI serves as a platform for PETRONAS to continuously strive to enhance its knowledge and capability building by collaborating with other reputable members from other oil and gas companies and cross-industry community and participating in various experts' discussion and sharing of best practices.

With this participation in PACI, PETRONAS will be able to enhance its visibility and branding as an organisation that upholds strong corporate governance with robust anti-corruption programmes and promotes PETRONAS' visibility in upholding good corporate governance and ethical business practices.

### PETRONAS Whistleblowing Policy and Procedures

The PETRONAS Whistleblowing Policy and procedures are available on PETRONAS' corporate website:

 <https://www.petronas.com/whistleblowing>

\* All disclosures will be treated in the strictest confidence

## Corporate Governance at PETRONAS

## Sustainability Governance

### Board Commitment to Sustainability

The Board acknowledges that the well-being of the employees, customers, suppliers and other stakeholders as well as the environment and the society at large is central to sustaining PETRONAS' long-term performance and continued relevance. The Board is mandated to provide direction for PETRONAS and its Group in steering the delivery of its goals and targets while adapting to long-term structural changes in the energy industry that are to a large extent driven by sustainability-related themes.

The heightened materiality of sustainability to the business demands the Board and the Management to intensify efforts in making sustainability central to PETRONAS' strategy and priorities, as well as creating the structure that enables, formal oversight to sustainability by the Board. Being the highest authority in sustainability governance, the Board takes full responsibility in institutionalising the Company's sustainability agenda, road map and initiatives.

The full report on Sustainability Governance is found on pages 170-173 of this Report.