

# Value Creation Model

## Our Capitals...



## ...Enable Value-Adding Activities That Create

### Inputs

### Guided By

#### Financial Capital

- FC** • RM710.6 billion in total asset value

#### Manufactured Capital

- MC** • Property, Plant and Equipment: RM301.2 billion

#### Intellectual Capital

- IC** • RM589 million invested in technology
- 195 R&D laboratories

#### Human Capital

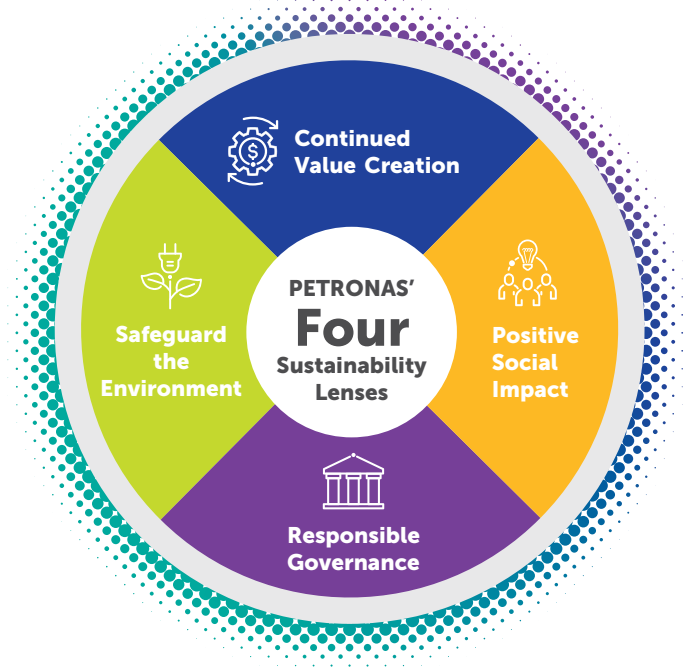
- HC** • A diversified workforce of 49,771 employees across the globe
- RM264 million invested in training and development

#### Social and Relationship Capital

- SRC** • Close to RM900 million invested in Social Impact activations covering education, community well-being and development and environment

#### Natural Capital

- NC** • 25 per cent CAPEX spent on New Business
- 9.25 Bboe 2P Reserve



### Market Landscape

- Geopolitics
- Economy
- Energy Transition
- Oil
- LNG
- Chemicals
- Upstream
- Post COVID-19 Pandemic Recovery

[Read more on page 78](#)

### Material Topics

#### Safeguard the Environment

- GHG Emissions
- Climate Change Risks
- Environmental Management
- Nature and Biodiversity

#### Responsible Governance

- Corporate Governance
- Anti-Bribery and Corruption

#### Positive Social Impact

- Safety Management
- Human Rights
- Employee Attraction, Retention and Development
- Health and Well-being

#### Continued Value Creation

- Lower Carbon and Energy Transition Business
- Economic Contribution
- Sustainable Supply Chain
- Innovation and Technology
- Circular Economy

[Read more on page 80](#)

### PETRONAS Energy Transition Strategy

- **Core Business** – More Energy, Less Emissions
- **New Business** – Capturing New Growth Opportunities
- **Net Zero Carbon Emissions** – Pathway to Zero

**SUPPORTED BY A ROBUST GOVERNANCE FRAMEWORK:** Highest standard of governance and effective board leadership

...Value For Our Stakeholders

Business Activities

Outputs and Outcomes

Stakeholder

SDGs

Business Snapshot



Upstream

Cost efficiency



Gas

Overall Equipment Effectiveness



Downstream

Overall Equipment Effectiveness



Project Delivery and Technology

OTOBOS and technology solutions



Gentari

Deliver cleaner energy solutions



Other Businesses

- Maritime and Logistics - Sustainable maritime transportation solutions
- Property - Financial sustainability

Key Risks

- Market Risk
- Financial Liquidity Risk
- Legal and Regulatory Risk
- Sustainability Risk
- Health, Safety, Security and Environmental Risk
- Geopolitical Risk
- Hydrocarbon Reserves and Resources Risk
- Technology Risk
- Execution Risk
- Human Capital Risk

Read more on page 86

Financial

FC

- **70%** growth in Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)
- **RM50 billion** dividend to shareholder

Manufactured

MC

- **34.2 MMT** of overall LNG sales
- **10.0 million** metric tonnes of petrochemicals production volume
- **260.7 million** barrels of petroleum product sales volume

Intellectual

IC

- **14** new products and softwares launched
- **3** proprietary chemical formulations
- **31** patents secured
- **13** projects were executed according to on time, on budget, on scope (OTOBOS), while 11 were completed ahead of schedule

Human

HC

- **48,007** employees completed training and development programmes
- **1,384** technical professionals developed

Social and Relationship

SRC

- More than **1.5 million** beneficiaries worldwide from PETRONAS' Social Impact activations

Natural

NC

- **2,434 kboe/d** crude oil, condensates and natural gas production
- **0.6 Million tCO<sub>2</sub>e** GHG emissions reduction
- **62,790 tonnes** nitrogen oxides
- **60,116 tonnes** sulphur oxides
- **20%** reduction in flaring and venting emissions in our Malaysia operated assets including four fields achieving zero routine venting of hydrocarbon
- **73,643 tonnes** waste recycled and recovered
- **487 tonnes** hydrocarbon discharges to water
- **2 hydrocarbon spills** into the environment over one barrel

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