

Safeguard the Environment

4 Metrics and Targets

We have revised our carbon emissions accounting method to adhere to international frameworks and sector specific guidance to give us a robust basis for Scope 1 and Scope 2, and a better understanding of Scope 3 GHG emissions. The financial year 2022 marks the beginning of disclosures of GHG emissions through both operational control and equity share approaches.

In charting our NZCE 2050 Pathway, PETRONAS has adopted the equity share approach to account for our emissions inventory and performance against mid- and long-term milestone targets, with 2019 as the base year.

Outline of two approaches GHG Emissions Accounting Operational Control Our Greenhouse Gas Emissions Reduction Targets (Scope 1 and Scope 2) and Ambitions • The Group has the authority to implement its operational policies. 2024 & 2025 Applicable to our 2024 short-term GHG 2030 2050 emissions targets and all methane emissions reduction targets. 49.5 Enables the tracking of performance for all assets under our control. Reduction Drives immediate climate actions for in PETRONAS Cap emissions at direct and effective change. 49.5 million tonnes Groupwide Net zero of carbon dioxide emissions, carbon emissions. equivalent (Million including: tCO_ae) **Equity Share** from PETRONAS' Malaysia operations Reduction Preflects economic interest, which is the by 2024. in methane emissions from extent of rights a company has to the PETRONAS Groupwide risks and rewards flowing from an operation. natural gas value chain. Applicable to our medium-term target Reduction of 25 per cent reduction in GHG emissions by 2030 and long-term target in methane 50% by 2050 emissions from Demonstrates our commitments on Reduction **PETRONAS** operational decarbonisation, including Groupwide natural in methane emissions from responsible and sustainable investments. gas value chain Malaysia's natural gas value Ensures our assets and investments are operations by 2025. chain. in line with our net zero aspiration.

Our 2024 short-term GHG emissions target and all methane emissions reduction targets are based on the operational control approach. This allows us to track performance of all assets under our control and to drive immediate climate actions for direct and effective change.

The equity share approach will guide our assets and investments to be in line with our Pathway and be reflected in our annual integrated report. This methodology allows for business' long-term energy transition pathway development and portfolio transition tracking.