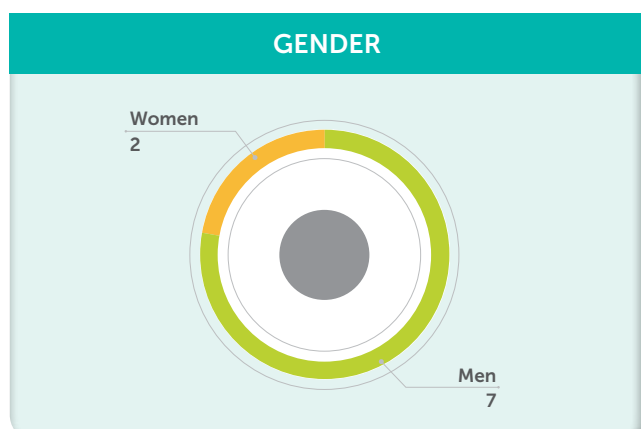
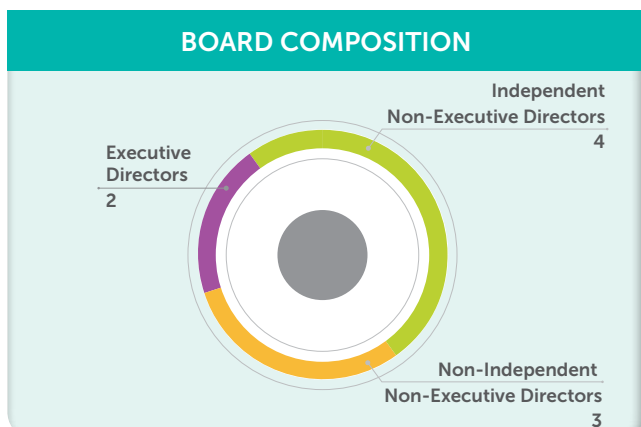
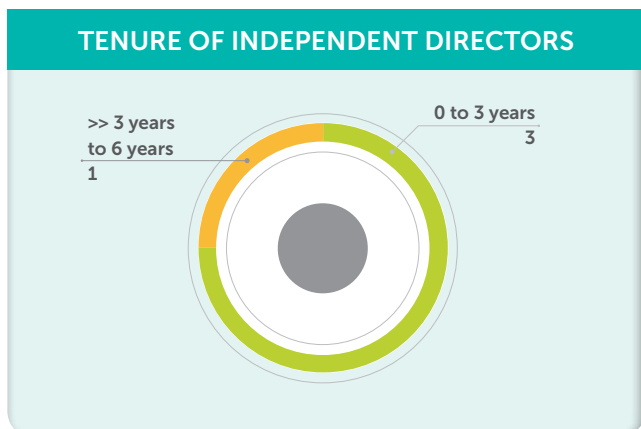
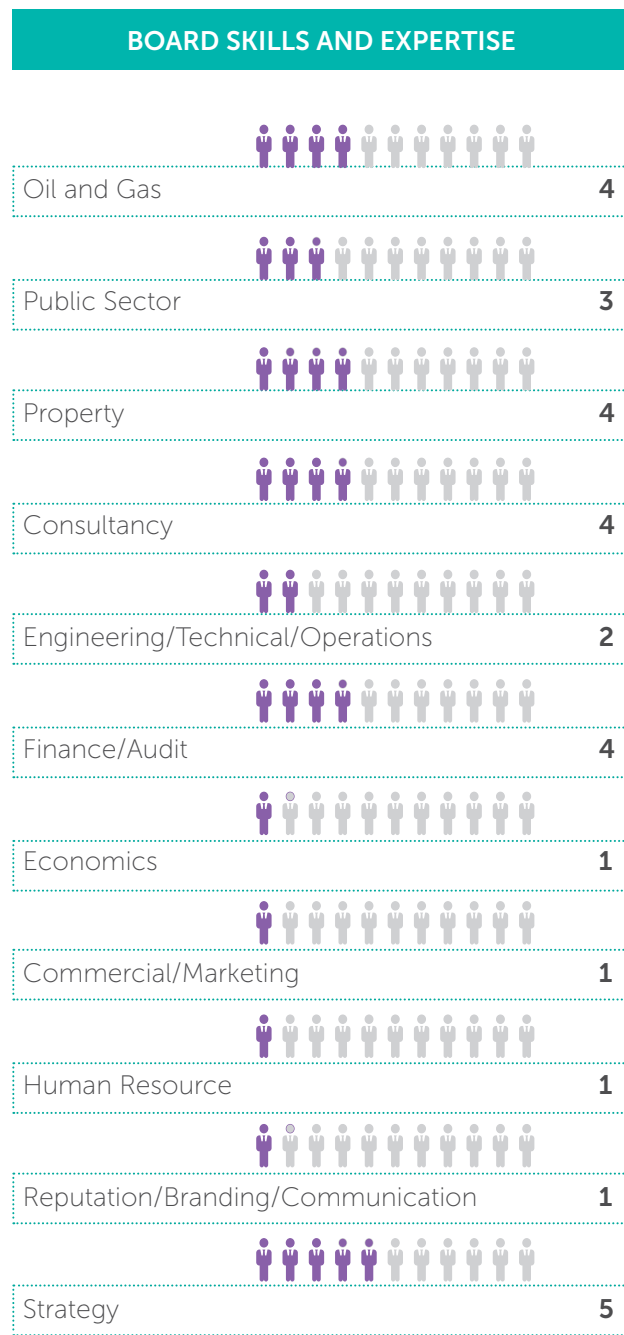


# Board Composition



Range (Age) In Year 2022	No. of Directors
40 - 49	1
50 - 59	1
60 - 69	5
70 - 79	2
<b>Total</b>	<b>9</b>





A Director may have more than one experience and skill. All information is as at 28 February 2023.

# Profile of Board of Directors

As of 28 February 2023

## Tan Sri Dato' Seri Mohd Bakke Salleh

Non-Independent Non-Executive Director/  
Chairman

 <b>Age:</b> 68 years	 <b>Gender:</b> Male	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 18 June 2019
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### Academic/Professional Qualifications:

- Fellow of the 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 (MPOB)
- 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 (SPPK)
- Group General Manager, Island & Peninsular Berhad
- Pro Chancellor of Universiti Putra Malaysia

### Other Current Appointments:

- Chairman, Yayasan PETRONAS
- Honorary Council Member, Malaysian Palm Oil Association (MPOA)



#### Board Committee:

-  Chairman of Committee
-  Member of Committee

 Member of Audit Committee





 Member of Risk Committee

 Member of Nomination and Remuneration Committee

## Datuk Tengku Muhammad Taufik

Executive Director, President and Group Chief Executive Officer



 <b>Age:</b> 49 years	 <b>Gender:</b> Male	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 15 October 2018
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### Academic/Professional Qualifications:

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



### Past Appointments/Experiences:



- Joined PETRONAS in 2000
- Possesses more than 23 years of experience in the oil and gas industry
- Areas of expertise include developing and steering key business strategies, organisational transformation, and financial and risk management
- Experienced in strategic planning, finance and business strategy development with a focus on the oil and gas and energy industry
- Advocate of a just and responsible energy transition by promoting regional partnership in shaping policy, innovation and technology
- Other key positions previously held within the Group:
  - Executive Vice President and Group Chief Financial Officer, PETRONAS
  - Partner at PricewaterhouseCoopers (PwC) Malaysia
  - Chief Financial Officer for two public listed companies



### Other Current Appointments:

- Chairman, Audit Committee for East Coast Economic Region Development Council (ECERDC) and Northern Corridor Implementation Authority (NCIA)
- Chairman, Gentari Board of Directors
- Chairman, National Trust Fund
- Exco Member of the World Business Council for Sustainability Development (WBCSD) appointed in January 2023
- Member of the World Economic Forum (WEF) Industry Action Group and WEF Oil and Gas Governors Forum
- Co-Chairperson of the WEF ASEAN Leaders for Just Energy Transition Community
- 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

**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 2023





### Ainul Azhar Ainul Jamal

Independent Non-Executive Director

AC

NRC



 <b>Age:</b> 63 years	 <b>Gender:</b> Male	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 15 May 2018
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#### 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

#### Board Committee:

-  Chairman of Committee
-  Member of Committee

 Member of Audit Committee

 Member of Risk Committee

 Member of Nomination and Remuneration Committee

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

**NRC** **RC**



 <b>Age:</b> 63 years	 <b>Gender:</b> Male	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 17 August 2020
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 **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, 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
- Member of Risk Committee, PETRONAS
- Director, Intralink Properties Sdn Bhd
- Director, Urban Terrace 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 2023

### Thayaparan S Sangarapillai

Independent Non-Executive Director

RC

AC

 <b>Age:</b> 68 years	 <b>Gender:</b> Male	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 24 September 2021
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#### 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:


- Possess 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 including cross border transactions
- 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 Audit Committee, PETRONAS
- Board Member and Chairman, Audit Committee, Axiata Group Berhad
- Chairman, Board of Robi Axiata, a subsidiary of Axiata Group Berhad
- Board Member and Chairman, Audit Committee and Member of Risk Committee, Sime Darby 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

**Datuk KY Mustafa**

Non-Independent Non-Executive Director



 <b>Age:</b> 72 years	 <b>Gender:</b> Male	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 19 January 2022
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**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:**

- Director, Suria Capital Holdings Berhad
- Director, Sabah Ports 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 2023

### YB Dato Haji Ibrahim Haji Baki

Non-Independent Non-Executive Director

RC



 <b>Age:</b> 64 years	 <b>Gender:</b> Male	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 17 August 2020
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#### 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 members, Registrar of Companies Malaysia (SSM)

#### Other Current Appointments:

- Member of Risk Committee, PETRONAS
- Chairman, Daya Builders Sdn Bhd 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

#### Board Committee:

 Chairman of Committee  
 Member of Committee

 Member of Audit Committee

 Member of Risk Committee

 Member of Nomination and Remuneration Committee



### Tan Sri Zaharah Ibrahim

Independent Non-Executive Director

AC NRC



 <b>Age:</b> 70 years	 <b>Gender:</b> Female	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 17 August 2020
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 **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
  - 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
- 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

 **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 2023

### Liza Mustapha

Executive Director, Executive Vice President & Group Chief Financial Officer



 <b>Age:</b> 52 years	 <b>Gender:</b> Female	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 1 June 2021
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#### Academic/Professional Qualifications:

- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Advance Management Program at Harvard Business School, USA
- 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 Controller, PETRONAS
- Chief Financial Officer, Upstream Business, PETRONAS
- Senior General Manager, Group Treasury, PETRONAS
- Chief Financial Officer, PETRONAS Gas Berhad

#### Other Current Appointments:

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

#### Board Committee:

 Chairman of Committee  
 Member of Committee

 Member of Audit Committee

 Member of Risk Committee

 Member of Nomination and Remuneration Committee





# Profile of Company Secretaries

As of 28 February 2023

## Intan Shafinas (Tuty) Hussain

Company Secretary



 <b>Age:</b> 50 years	 <b>Gender:</b> Female	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 1 June 2018
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### 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 22 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, Malaysia Jet Services Sdn Bhd

### Board Committee:

-  Chairman of Committee
-  Member of Committee

 Member of Audit Committee

 Member of Risk Committee

 Member of Nomination and Remuneration Committee





## Profile of Company Secretaries

As of 28 February 2023

### Nur Ashikin Khalid

Company Secretary



 <b>Age:</b> 50 years	 <b>Gender:</b> Female	 <b>Nationality:</b> Malaysian	 <b>Date of appointment:</b> 28 October 2021
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#### 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
- Has more than 25 years of experience in the fields of legal, company secretarial and corporate governance
- 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

#### Other Current Appointments:

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

#### Board Committee:

-  Chairman of Committee
-  Member of Committee

 Member of Audit Committee

 Member of Risk Committee

 Member of Nomination and Remuneration Committee



# Profile of Executive Leadership Team

As of 28 February 2023



**Datuk Tengku Muhammad Taufik**  
President and Group Chief Executive Officer

Age: 49  
Gender: Male

Nationality: Malaysian  
Date of Appointment: 15 October 2018

### Academic/Professional Qualifications:

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

### Past Appointments/Experiences:

- Joined PETRONAS in 2000
- Possesses more than 23 years of experience in the oil and gas industry
- Areas of expertise include developing and steering key business strategies, organisational transformation, and financial and risk management
- Experienced in strategic planning, finance, and business strategy development with a focus on the oil and gas and energy industry
- Advocate of a just and responsible energy transition by promoting regional partnership in shaping policy, innovation and technology
- Other key positions previously held within the Group:
  - Executive Vice President and Group Chief Financial Officer, PETRONAS
  - Partner at PricewaterhouseCoopers (PwC) Malaysia
  - Chief Financial Officer for two public listed companies

### Other Current Appointments:

- Chairman of Audit Committee for East Coast Economic Region Development Council (ECERDC) and Northern Corridor Implementation Authority (NCIA)
- Chairman of Gentari Board of Directors
- Chairman of National Trust Fund
- Exco Member of the World Business Council for Sustainability Development (WBCSD) appointed in January 2023
- Member of the World Economic Forum (WEF) Industry Action Group and WEF Oil and Gas Governors Forum
- Co-Chairperson of the WEF ASEAN Leaders for Just Energy Transition Community
- 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)



## Profile of Executive Leadership Team

As of 28 February 2023



**Adnan Zainol Abidin**  
Chief Operating Officer and  
Executive Vice President and  
Chief Executive Officer, Gas

Age: 61

Gender: Male

Nationality: Malaysian

Date of appointment as Chief Operating Officer: 1 February 2022

Date of appointment as EVP & CEO, Gas: 1 April 2019

### 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 previously held within the Group:
  - Executive Vice President & Chief Executive Officer Gas & New Energy
  - Senior Vice President, Project Delivery and Technology
  - Vice President, LNG Assets
  - Vice President, Global LNG Projects

### Other Current Appointments:

- 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
- Chairman, PETRONAS Refinery and Petrochemical Sdn Bhd
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS International Corporation Ltd
- Director, LNG Canada Development Inc
- Co-Chairman, Self Regulation Policy Directive Council with DOSH, Malaysia



**Liza Mustapha**  
Executive Vice President  
and Group Chief Financial  
Officer

Age: 52

Gender: Female

Nationality: Malaysian

Date of Appointment: 1 June 2021

### Academic/Professional Qualifications:

- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Advance Management Program at Harvard Business School, USA
- 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
- Possesses more than 28 years of experience in the oil and gas industry
- Other key positions previously held within the Group:
  - Vice President, Group Procurement, Project Delivery and Technology, PETRONAS
  - Chief Financial Controller, PETRONAS
  - Chief Financial Officer, Upstream Business, PETRONAS
  - Senior General Manager, Group Treasury, PETRONAS
  - Chief Financial Officer, PETRONAS Gas Berhad

### Other Current Appointments:

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



**Datuk Adif Zulkifli**  
Executive Vice President and  
Chief Executive Officer,  
Upstream

Age: 52  
Gender: Male  
Nationality: Malaysian  
Date of Appointment: 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

**Past Appointments/Experiences:**

- Joined PETRONAS in 1993
- Has almost 31 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 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 and Production Business

**Other Current Appointments:**

- Chairman, PETRONAS Energy Canada Ltd
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS International Corporation Ltd
- Trustee of the Abandonment Cess Fund
- Chairman of the Society of Petroleum Engineers, Asia Pacific Advisory Council
- Chairman, International Petroleum Technology Conference Board of Directors
- Advisory Committee Member of the Offshore Technology Conference Asia (Kuala Lumpur) 2022



**Datuk Sazali Hamzah**  
Executive Vice President and  
Chief Executive Officer,  
Downstream

Age: 56  
Gender: Male  
Nationality: Malaysian  
Date of appointment: 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 33 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 previously held within the Group:
  - Senior Vice President and Managing Director/Chief Executive Officer of PETRONAS Chemicals Group Berhad
  - Managing Director/Chief Executive Officer of Malaysia Refining Company Sdn Bhd
  - Managing Director/Chief Executive Officer of PETRONAS Technical Sdn Bhd
  - Head of Group Project Management and Delivery, PETRONAS
  - Head of PETRONAS Group Technical Services
  - Various senior management positions in the refinery and petrochemical business within PETRONAS

**Other Current Appointments:**

- Chairman, Pengerang Refining Company Sdn Bhd
- Chairman, Pengerang Petrochemical Company Sdn Bhd
- Chairman, PETRONAS Marketing International Sdn Bhd
- Director, PETRONAS Dagangan Berhad
- Director, PETRONAS Chemicals Group Berhad
- Director, PETRONAS Refinery and Petrochemicals Corporation Sdn Bhd
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS International Corporation Ltd
- Member of the International Advisory Panel for C-THRU Research Project

## Profile of Executive Leadership Team

As of 28 February 2023



**Mazuin Ismail**  
Senior Vice President,  
Corporate Strategy

Age: 55

Gender: Male

Nationality: Malaysian

Date of appointment: 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 more than 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 previously held within the Group:
  - Senior Vice President, Project Delivery and Technology
  - Vice President of Technical Global (PETRONAS)

### Other Current Appointments:

- 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



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

Age: 58

Gender: Male

Nationality: Malaysian

Date of appointment: 1 August 2021

### Academic/Professional Qualifications:

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

### Past Appointments/Experiences:

- Joined PETRONAS in 1992
- Possesses more than 32 years of experience in the oil and gas industry
- 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 (SPOC)
  - President, White Nile Petroleum Operating Company (WNPOC)
  - General Manager, Exploration & Production, Greater Nile Petroleum Operating Company (GNPOC)
  - General Manager, PETRONAS Carigali Sdn Bhd – Sarawak Operations

### Other Current Appointments:

- 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 Future Tech Sdn Bhd
- Board of Trustees, Dana Asy-Syakirin
- Board of Trustees, Petroleum Research Fund



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

Age: 49  
Gender: Male  
Nationality: Malaysian  
Date of Appointment: 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 25 years of experience in the legal and secretarial fields
- Other key positions previously held within the Group:
  - Head of Legal Upstream
  - 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@Kulliyyah, Ahmad Ibrahim Kulliyyah of Laws, International Islamic University Malaysia
- Director, KLCC (Holdings) Sdn Bhd



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

Age: 55  
Gender: Female  
Nationality: Malaysian  
Date of appointment: 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 32 years of experience in various leadership roles such as internal audit, corporate strategy, planning & risk, commercial & joint venture management, and human resource management
- Other key positions previously held within the Group:
  - General Manager, Strategic Planning
  - Head, Commercial Development & JV Formation of Refinery & Petrochemical Integrated Development (RAPID)
  - Head, Human Capital Expertise, Group HRM
  - Chief Executive Officer, PETRONAS Management Training Sdn Bhd

**Other Current Appointments:**

- Chairman, PETRONAS Management Training Sdn Bhd
- Chairman, PETRONAS Technical Training Sdn Bhd
- Chairman, Dana Asy-Syakirin
- Chairman, PETRONAS Sponsorship Loan Fund
- Director, Institute of Technology PETRONAS Sdn Bhd
- Director, PETRONAS Digital Sdn Bhd
- Director, PETRONAS Lubricants International Sdn Bhd (Chairman of Nomination & Remuneration Committee)
- Director, PETRONAS Chemicals Group Berhad
- Executive Steering Committee of the International Association of Oil & Gas Producers (IOGP) Energy Workforce of Future Taskforce Group
- Global HR Council of the Conference Board
- Commissioner of the Business Commission to Tackle Inequality (BCTI) under World Business Council for Sustainable Development's (WBCSD)

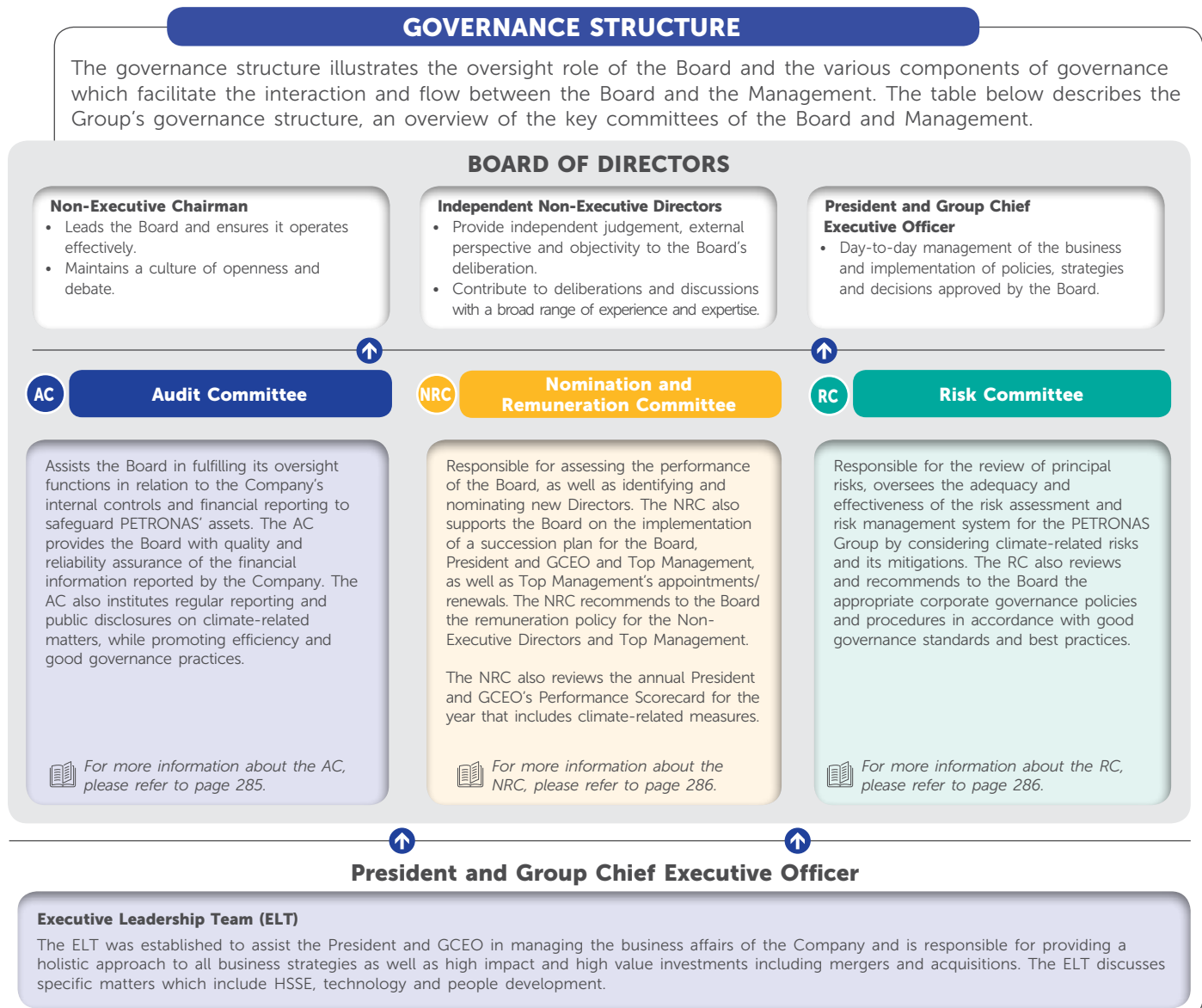
# Corporate Governance at PETRONAS

## Board Governance and Structure

PETRONAS has resolutely demonstrated a progressive and resilient performance despite the challenging global business environment. The COVID-19 pandemic has caused a significant economic contraction, putting corporate governance practices of organisations worldwide to the test. PETRONAS, has remained resilient in its commitment to apply the best corporate governance principles across the Group.

Corporate governance plays a crucial role in promoting sustainability by providing the necessary framework for accountability, transparency and structure within the Group. In building a sustainable business, the Board is fully aware of its responsibility towards its shareholders and stakeholders. The Board firmly upholds effective leadership and unwavering ethical standards by providing the framework which serves as a basis for sustainable decision-making.

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.





## 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 authorities.

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 GCEO are acknowledged and provided for 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, prudence 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 enables 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.

In 2022, the Board met on 23 occasions of which almost all meetings were conducted physically. Although the quorum for the Board meeting is two, majority of the Board meetings were attended by all Directors.

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, confirmed 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:

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, Directors' remuneration and succession planning.

## Corporate Governance at PETRONAS

### The Board's 2022 Key Focus Areas and Priorities

Key Focus Areas	Description
<b>Strategy</b>	
Group's Strategic Initiatives and Plans	The Board deliberated on long-term strategic options and provided relevant feedback and steer.
Group's Business Plan and Budget	The Board deliberated and approved the Company's business plan. The Company's strategic targets, operational plan and financial forecasts were presented to the Board for their deliberation. The Board deliberated the risks as well as potential challenges, both external and internal, towards achieving the business plan. The Board considered and approved the budget necessary to carry out the business plan.
<b>Financial</b>	
Group's Performance on Quarterly Basis	The Board was updated on the performance against the business performance targets on quarterly basis. Performance was measured and tracked against approved KPIs.
Dividends	The Board considered and approved the proposal on declaration of dividends.
<b>Risk and Internal Controls</b>	
Enterprise Risks	<p>The Board deliberated and approved, on quarterly basis, the PETRONAS and its Group's critical risks that may significantly impact the business goals and targets. The Board constantly monitors the agreed mitigations to manage or reduce the likelihood and impact of these critical risks. Key risk indicators which provide early warnings of risk manifestation were also reported to the Board.</p> <p>To ensure risks undertaken in pursuit of business objectives are within Board acceptable level, the Board approved the Company's risk appetite which sets its key operational boundaries. Any breach of risk appetite may jeopardise the Company's business sustainability, hence, will be escalated to the Board for deliberation.</p> <p>In achieving comprehensive risk-based decision making, the Board also deliberated on the risks related to high impact business matters such as Final Investment Decisions of projects in order to assess the feasibility and commerciality of these projects and investments.</p>
<b>Corporate Governance and Compliance</b>	
Implementation and Monitoring of Succession Planning	As part of the role of the Board of the Company, the Board ensures that there is an appropriate succession plan for members of the Board. The Board deliberated and approved the Fit and Proper Policy, an enhancement from the Board Selection Criteria for the appointment and re-appointment of directors which includes character, integrity, experience, competence and commitment to contribute.

# 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 Company level.

## President and Group Chief Executive Officer

- 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.

## Executive Directors

- Provide in-depth operational knowledge and business insights from PETRONAS' perspective.

## 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 Secretaries

- Facilitate the effective operations of the Board and ensure that the Directors receive accurate, timely and clear information to enable them to discharge their responsibilities.
- Provide support and advice to the Board in respect of governance matters and ethical business practices.

## Corporate Governance at PETRONAS

### Attendance at Meetings

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 23 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 2022, together with a record of the attendance is detailed in the table below:

Directors as at 28 February 2023	Board	Audit Committee	Nomination and Remuneration Committee	Risk Committee
<b>Tan Sri Dato' Seri Mohd Bakke Salleh</b> Chairman/Non-Independent Non-Executive Director	23/23	–	–	–
<b>Datuk Tengku Muhammad Taufik</b> Executive Director/ President and Group Chief Executive Officer	23/23	–	–	–
<b>Dato Haji Ibrahim Haji Baki</b> Non-Independent Non-Executive Director	21/23	–	–	6/8
<b>Tan Sri Zaharah Ibrahim</b> Independent Non-Executive Director	23/23	6/6	7/7	–
<b>Dato' Razali Mohd Yusof</b> Independent Non-Executive Director	23/23	–	7/7	7/7
<b>Ainul Azhar Ainul Jamal</b> Independent Non-Executive Director	22/23	6/6	7/7	–
<b>Liza Mustapha</b> Executive Director/Group Chief Financial Officer	23/23	–	–	–
<b>Thayaparan S Sangarapillai</b> Independent Non-Executive Director	23/23	6/6	–	8/8
<b>Datuk KY Mustafa</b> Non-Independent Non-Executive Director (Appointed w.e.f 19.1.2022)	20/23	–	–	–
<b>Datuk Seri Asri Hamidin @ Hamidon</b> Non-Independent Non-Executive Director (Appointed w.e.f 28.4.2022) (Resigned w.e.f 5.1.2023)	7/17	–	–	–
<b>Datuk Johan Mahmood Merican</b> Alternate Director to Datuk Seri Asri Hamidin @ Hamidon (Appointed w.e.f 28.4.2022) (Resigned w.e.f 5.1.2023)	8/17	–	–	–
Director who has retired in 2022	Board	Audit Committee	Nomination and Remuneration Committee	Risk Committee
<b>Zakiah Jaafar</b> Non-Independent Non-Executive Director (Resigned w.e.f 22.4.2022)	3/6	1/1	–	1/1

### Board Strategic Conversation Series

In addition to the above meetings, the PETRONAS Board Strategic Conversation (BSC) Series are held periodically as part of the initiative to achieve a high performing Board. The BSC Series, which include Sustainability Series are conducted in-house or by external subject matter experts.

It aims to provide updates and discussions on sustainability and market outlook. It also includes the deliberations on the Group's strategic and growth plans for the purposes of enriching the Directors' knowledge and for the Directors to keep abreast with the latest trends and development.

# Board Balance and Effectiveness

## Board Balance and Composition

As at the date of this report, the Board of Directors of PETRONAS comprises nine members; the Non-Executive Chairman, two Executive Directors and six Non-Executive Directors (NEDs), out of which four are Independent Non-Executive Directors (INEDs). The biographical details of the Directors are set out on page 259.

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 Puan Zakiah Jaafar effective 22 April 2022, Datuk Seri Asri Hamidin @ Hamidon and his alternate, Datuk Johan Mahmood Merican, were appointed to the Board of PETRONAS on 28 April 2022. Datuk Seri Asri Hamidin @ Hamidon and Datuk Johan Mahmood Merican had, however, resigned on 5 January 2023.

The Board wishes to record its appreciation and gratitude to Puan Zakiah Jaafar, Datuk Seri Asri Hamidin @ Hamidon and Datuk Johan Mahmood Merican for their contribution and commitment during their tenure on the Board.

The Board also welcomed Datuk KY Mustafa as a NINED on the PETRONAS Board effective 19 January 2022.

The current composition of the Board has a blend of skills, experience and knowledge which enables 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 perform effectively as a high performing Board.

## Fit and Proper Policy

In September 2022, the Board had approved the establishment of the Directors' Fit and Proper Policy (the Policy) as an enhancement of the existing PETRONAS Board Selection Criteria. The Policy aims to ensure that any person to be appointed or elected/re-elected as a Director of the PETRONAS Group shall possess the character, integrity, experience, competence, commitment to contribute in discharging his or her responsibilities required of the appointment in the most effective manner.

## 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	2 Annual Review	3 Notice of Change of Circumstances
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.	The Board determines the independence of each NED annually, based on the recommendations from the NRC per the PETRONAS Independent Directors Guidelines.	Each NED 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 for more than nine years.

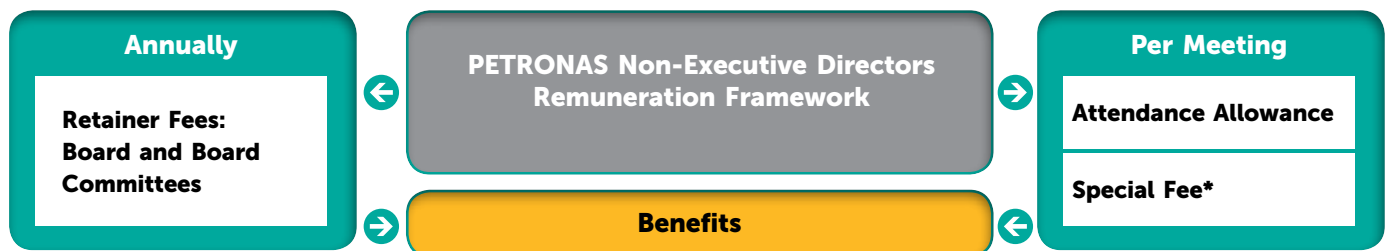
## Conflict of Interest

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:



\* Only for eligible Non-Executive Directors

## 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 as teams, bespoke training on relevant regulatory and legal obligations and onboard procedures and processes.

Directors 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.									

The PETRONAS PBE programme is developed upon the occurrence of new concern for the Directors' awareness and knowledge that may involve the Directors' roles and responsibilities. Moving forward, sustainability has been identified for inclusion in the PBE programme, which will be carried out in 2023. In this instance the programme is intended to create awareness among the directors on the importance of sustainability and the accountabilities of Directors as part of the Environmental, Social and Governance requirements.

### Qualified and Competent Company Secretaries

The Company Secretaries of PETRONAS are qualified to act as company secretary by virtue of Section 235 of the CA 2016. Both of the Company Secretaries are legally qualified. They act as advisors to the Board, particularly with regard to the PETRONAS' Constitution, policies and procedures and its compliance with regulatory requirements, codes, guidelines and legislations.

The Company Secretaries act as an important link between the Board and the Management. Through effective communication, they provide the Management with the understanding on the expectations of, and value brought by the Board.

The Company Secretaries ensure that discussions and deliberations at the Board and Board Committee meetings are well documented, and subsequently communicated to the Management for appropriate actions. The Company Secretaries update the Board on the follow-up of its decisions and recommendations. The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging their functions in the financial year under review.

The Company Secretaries also constantly keep themselves abreast of the evolving regulatory changes and developments in corporate governance through continuous training.

### 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

During the year under review, the NRC had engaged an independent third-party consultant to conduct the Board Effectiveness Evaluation (BEE). The process of the BEE involved a set of questionnaires consisting of evaluations by the Board, Board Committee and Self-Assessment which were developed to maximise the effectiveness and performance of the Board in the best interests of PETRONAS. The indicators for the performance of the Board include, among others, the Board composition, planning process, conduct, communication with the Management and stakeholders, as well as strategy and planning for the Company. The consultant thereafter performed an independent assessment on the findings and areas of improvement and presented to the NRC for its consideration.

The NRC reviewed the outcome of the 2022 BEE whereby the findings of the BEE indicated that the Board is committed to the highest standards of good governance and affirmed the effectiveness of the Board.

### Directors' Indemnity

PETRONAS continues to provide and maintain indemnification for its Directors throughout the financial year as allowed under the CA 2016 to the extent it is insurable under the Directors' and Officers' Liability Insurance (D&O) procured by the Company. Directors and Officers are indemnified against any liability incurred by them in discharging their duties while holding office as Directors and Officers of the Company. All Directors may opt to obtain D&O insurance to provide insurance protection (to the extent it is insurable) against unindemnified liabilities by the Company or uninsured circumstances. The premium to be paid by all Directors is determined by the insurance company.

### Succession Planning

The Board Succession Planning Framework had been adopted by the Board to assist the Company in ensuring a structured and timely identification and selection of new Non-Executive Directors in the event of an opening on the Board, whether such opening exists by reason of an anticipated retirement, the expansion of the size of the Board, or otherwise. Such structured succession plan addresses the composition and effectiveness of the Board. The Board, through the NRC, has the responsibility in ensuring appropriate succession planning of Directors and reviewing the Board's required mix of skills and experience, as well as reviewing the tenure of INEDs on the Board.

In addition to succession planning for the Directors, the NRC also reviewed the succession plan of key management positions of the Company. The NRC continued to focus on conducting all relevant reviews and assessments of key management positions.

### 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 deliberations at all times. The Board, being the highest authority in sustainability governance, has taken the initiative in the establishment of the Company's approach to sustainability and road map. During the year under review, the Board's engagement and oversight of sustainability related matters were broadened.

### Board's Oversight of Climate-Related Risks and Opportunities

The Board recognises that climate is a critical business issue, contributing to a set of risks and opportunities. The Board is taking more deliberate actions in elevating sustainability, especially climate-related discussions to shape the long-term strategic direction of the company.

Key oversight by the Board on climate-related risks and opportunities in 2022 are as follows:

- Endorsement by the RC on the PETRONAS Corporate Risk Profile considering climate-related risk and its mitigation on quarterly basis for Board's approval.
- Approval of Net Zero Carbon Emissions by 2050 Pathway and alignment to the annual business plan and budget cycle.
- Approval of Nature and Biodiversity Position in support of the Net Zero Carbon Emissions by 2050 Pathway.
- Approval of Nature-based Climate Solutions strategy.
- Approval of climate-related matrix as part of the long-term incentive plan for senior leadership. In 2022, 20 per cent of the long-term incentive plan consists of ESG elements and this includes measurement of net carbon intensity as well as diversity and inclusion.
- Approved the formation of Gentari Sdn Bhd, an independent entity focused on providing clean energy solutions.
- Quarterly conversation series with global sustainability experts, with a dedicated session on climate change that includes Task Force on Climate-related Financial Disclosure (TCFD), human rights and just transition.

*[The full report on Sustainability Governance is found on page 155 of this Report]*

# Board Committees

## Audit Committee



The AC continued to play a key role in assisting the Board in fulfilling its oversight responsibilities to ensure 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 six times in 2022.

*[For more information about the AC's attendance, please refer to page 280]*

## Key Matters in 2022

### 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 its report for the financial year ended 31 December 2022 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).

As part of our aspiration towards achieving best in class, the AC also reviewed the results of the benchmarking exercise on financial statement disclosures undertaken against major industry players. As a result, several disclosures were enhanced and newly introduced which include, among others, price information for impairment assumptions and commodity hedging instruments as well as sustainability pathway.

## Internal Control and Audit Activities

The AC reviewed and deliberated internal audit reports which included opinions on the adequacy and effectiveness of governance, risk management and internal controls, audit finding's root causes implications as well as the agreed recommendations to be undertaken by the Management.

The internal audit exercises provide assurance on the state of PETRONAS Governance and Control as well as compliance to applicable policies, procedures, laws and regulations over the following key areas (but not limited to):

- a) Project Management Activities of selected ongoing/ completed projects involving project planning, project execution/delivery and project monitoring.
- b) Asset Integrity Management which includes turnaround and maintenance activities, Operation Management and Safety Management on selected domestic and international assets.
- c) Overall governance and management for the following areas:
  - Digital/IT related projects and operational activities at enterprise and selected businesses/entities.
  - Internal technologies at enterprise level.
  - Selected other entities, for example PETROSAINS.
- d) Operational and Commercial activities at:
  - Selected domestic and international businesses/entities (including business development).
  - Selected joint venture companies.
- e) Marketing and trading activities.

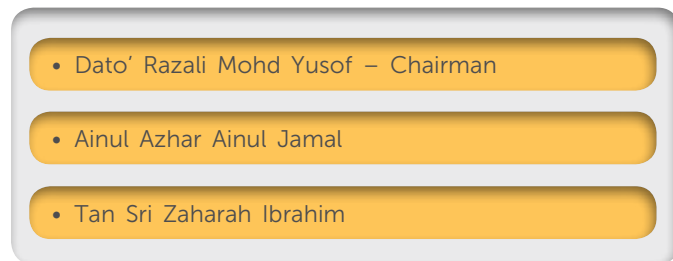
The AC also reviewed and endorsed the following matters:

- a) Comprehensiveness of the Annual Audit Plan developed based on the enterprise/business strategies, enterprise/business risks, audit/assurance history results and stakeholder feedback.
- b) Continuous risk sensing and insights to ensure the proposed audit activities are carried out as per emerging and relevant risks as well as latest enterprise/business strategies.
- c) Quarterly status on agreed recommendations arising from internal audit assignments.
- d) Overall performance of Group Internal Audit which includes audit operations and key initiatives.

## Corporate Governance at PETRONAS

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



The NRC carries duties and responsibilities in relation to 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 seven times in 2022.

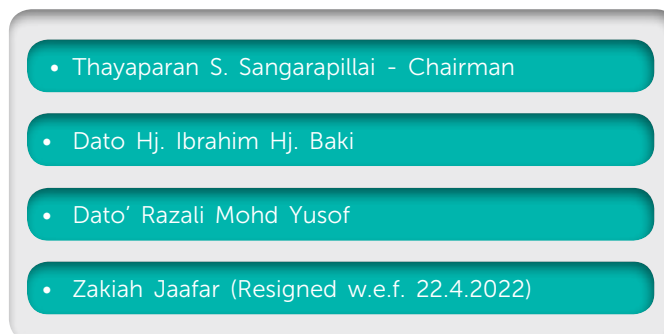
*[For more information about the NRC's attendance, please refer to page 280]*

### Key Matters in 2022

- The NRC reviewed and made recommendations to the Board on the status of independence of the 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.

- The NRC also reviewed and endorsed the establishment of the 2022 President and Group CEO's Performance Measurement to balance between Perform and Transform objectives with emphasis on enterprise outcomes to promote desired behaviours.
- The NRC reviewed and endorsed the policy to retain the tenure of independent director at nine years for PETRONAS and its Group of Companies.
- The NRC reviewed and endorsed the Fit and Proper policy for PETRONAS and its Listed Companies as guided by Paragraph 15.01A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and aligned with Bursa Malaysia Berhad's Corporate Governance Guide (4<sup>th</sup> Edition).
- The NRC reviewed and endorsed the Principles of Directors' Remuneration for the PETRONAS Group to ensure PETRONAS is able to attract the talent with the standards adopted by other International Oil Companies, Multinational Companies and National Oil Companies.
- The NRC reviewed and endorsed the roles of Chief Operating Officer for the PETRONAS high-level organisation structure.

### Risk Committee



The RC supports the Board in reviewing principal risks and oversees the adequacy and effectiveness of the risk assessment and risk management system for the PETRONAS Group. The Committee also deliberates on risk mitigation strategies and measures, reviews investment proposals that are significant from the risk perspective as well as monitors 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 eight times in 2022.

*[For more information about the RC's attendance, please refer to page 280]*

### Key Matters in 2022

- The RC assisted the Board in deliberating the PETRONAS Group's Corporate Risk Profile and Risk Appetite on a quarterly basis. Additionally, revisions to the Corporate Risk Profile and Risk Appetite were recommended by the Committee and approved by the Board to align with the Group's business objectives and strategies as well as reflect the current exposures being managed.
- The RC 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 RC 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 RC reviewed the report and activities on the Company's Portfolio Commodity Hedging programmes on a quarterly basis.
- The RC reviewed and endorsed the revision to PETRONAS CoBE to strengthen PETRONAS' internal controls including having a comprehensive code of conduct which will act as one of the defences to corporate liability and to cater for the latest development in law and regulations as well as to keep up with global business and regulatory development.

## Compliance

### Tone from the Top

The compliance culture in PETRONAS is championed by the "tone from the top", driven by the principles of PETRONAS Cultural Beliefs and Shared Values. The continuous messaging from the PETRONAS Board of Directors and PETRONAS Executive Leadership Team sets the values for the expected conduct and ethics. It shapes the behaviour and attitude of PETRONAS employees at all levels of businesses and activities across the PETRONAS Group.

### Operationalising Compliance from the Ground

As PETRONAS operates in multiple jurisdictions worldwide, the Compliance Management Operations (CMO) team is structured to ensure compliance with domestic and global requirements by establishing offices at the PETRONAS headquarters in Kuala Lumpur City Centre (KLCC), as well as regional offices in Asia Pacific, Europe, the Middle East and the Americas. The regional compliance management offices support PETRONAS' compliance position by implementing adequate and effective controls, conducting compliance programmes and activities, and developing localised content in line with local laws and requirements. They achieve this through a risk-based approach and constant engagement with the headquarters while also ensuring alignment with PETRONAS' compliance practices.

In ensuring compliance management operations are comprehensive and up-to-date, the Subject Matter Expert (SME) team would keep abreast with updated regulations, laws and enforcements guidance from all over the globe, as well as develop compliance policies, processes and procedures for PETRONAS businesses and activities. Additionally, the SME team would provide specialist legal advice, steer the strategic direction of PETRONAS business, and set up PETRONAS group positions.