

Engaging with Stakeholders

Partnering with Stakeholders in Delivering Our Purpose

At PETRONAS, we are committed to building meaningful collaborations to progress together with our stakeholders in achieving our business aspirations and realising our NZCE 2050 Pathway. We hold true to our ethos of building trusted relationships with our stakeholders, proactively engaging with a broad range of groups to promote our efforts as a global energy company whilst adding value to Malaysia’s energy resources and supporting economic value creation.

As expectations and scrutiny from stakeholders increase, proactive and frequent engagements are critical in ensuring balanced and timely responses to their concerns and interests. These collaborations are essential in shaping a positive perception of PETRONAS, particularly concerning our approach to sustainability. We monitor our engagement outcomes and measure our stakeholder sentiments periodically to ensure timely interventions. We can achieve our goals and contribute to a sustainable future by working collaboratively with our stakeholders.

FD Federal/Host Governments ●●●●○

Material Topics



Risks



Capitals



UNSDGs



Why Are They Important

Proactive engagements with governments and regulators enable transparent and trusting relationships which ensure seamless and continuous business operations, advance mutually beneficial commercial objectives and contribute to policy formulation that supports positive growth for the energy sector. This strengthens our role as a trusted partner in realising the government’s aspiration to drive the nation’s progress.

Key Concerns

- Nation-building agenda.
- Sustainable development.
- Compliance with laws and regulations.
- Human capital development.
- Social development.
- Health and safety.
- Ethical business practices.
- Environment and climate change.
- Employment opportunities.

Response

- Supported nation-building agenda as a thought partner and policy contributor to develop and strengthen Malaysia’s economic sectors via these initiatives;
 - (i) Collaboration with the Economic Planning Unit (EPU), to expand on collaboration relating to sustainability efforts.
 - (ii) Advisory in Chemical Industry Roadmap.
 - (iii) Support the capability development agenda in the National Oil and Gas Service and Equipment (OGSE) blueprint.
- Operated in compliance to industry safety standard, local and international laws and regulations.
- Supported nation-building initiatives and national-level crisis mitigation efforts such as contributions towards flood relief assistance.
- Engaged in partnerships for social development projects.
- Provided regular updates on issues affecting our operations and the economy.
- Active engagements and continuous collaborations with host authorities and embassies to build strong relationships.

Value Created for Stakeholders

- Supported nation-building through economic contribution, providing human capital development and employment opportunities.
- Contributed to help shape policies for the energy industry towards realising the government’s energy aspirations.

Engagement Platform

Engagement Platform	Frequency
• Face-to-face and virtual meetings	AR
• Regular reporting, briefings and meetings	M
• Periodical performance briefings	Q
• Collaboration and participation in government-led programmes	AR
• Conferences and exhibitions	Y
• National OGSE Steering Committee	T

Quality of Engagement

- No existing relationship
- Relationship established, but much work to be done to improve quality of relationship
- Relationship established, value-generating connection, but with some room for improvement
- Good-quality, mutually beneficial relationship, with some room for improvement
- Strong relationship of mutual benefit

Frequency of Engagement

- AR** As Required
- Q** Quarterly
- W** Weekly
- T** Twice Yearly
- M** Monthly
- Y** Yearly
- E** Every Two Months

ST State Governments ●●●●○

Material Topics



Risks



Capitals



UNSDGs



Why Are They Important

We continuously engage with state governments to broaden their understanding of our operations, given our presence in various key states in Malaysia. We conduct our operations in accordance with all regulatory requirements to ensure safe and reliable operations. With their continued trust and support, we created business opportunities for local industries, empowered local communities and contributed to the state's, and by extension, the country's economy.

Key Concerns

- State economic development.
- Skills and entrepreneurship development.
- Employment opportunities.
- Sustainable development.
- Health and safety.
- Environment and climate change.
- Social development.

Response

- Supported states' economic development via
 - (i) Transformation projects,
 - (ii) Communication with businesses, various state governments and agencies for business opportunities in the new energy sector,
 - (iii) Business arrangements and commercial collaborations,
 - (iv) Advisory in states initiatives and programmes.
- Maintained regular engagements with authorities to ensure close adherence to state laws and regulations.
- Steered Social Impact programmes to elevate socio-economic and community welfare.
- Closely collaborated with state governments via Annual Strategic Dialogues (ASD) and Joint Coordination Committees (JCC) to enhance state participation in the oil and gas industry.

Value Created for Stakeholders

- Spurred the state's economic development and elevate socioeconomy through human capital development and employment opportunities that is equitable for the locals while operating in a sustainable manner.
- Partnered with respective states to explore and provide new business opportunities.

Engagement Platform

Engagement Platform	Frequency
• Face-to-face engagements and virtual meetings	AR
• Annual Strategic Dialogues	Y
• Regular meetings, briefings and updates to various State Ministries	AR
• Participate in state governments' policy shaping initiatives and programmes	Q
• Joint Coordination Committee meetings	Q

Engaging with Stakeholders

C Customers ○●●●●○

Material Topics



Risks



Capitals



UNSDGs



Why Are They Important

Customers provide us with valuable feedback to make our business better. We improve customer experience by listening and addressing their needs. We strive to develop innovative products, services and technological solutions to meet their ever-changing demands in a time of increased scrutiny for environmental considerations.

Key Concerns

- Customer experience.
- Health and safety.
- Operational efficiencies.
- Product quality and availability.
- Product pricing and credit terms.
- Ethical business practices.
- Sustainability matters.
- Environment and climate change.

Response

- Provided customers with high quality, innovative products and solutions in line with our approach to sustainability.
 - (i) Diversified petrochemical products for example specialty chemicals.
 - (ii) EV charging network in Malaysia and India.
- Listened to customer pain points and launched initiatives to provide variation and accessibility to customers.
 - (i) Introduced a one-stop e-commerce platform via the PETRONAS Shop, available on the Setel, Lazada and Shopee apps.
 - (ii) Launched Café Mesra, to grow the non-fuel business in the food and beverage (F&B) business.
 - (iii) Launched the first Mini Portable Container System, in collaboration with the Ministry of Domestic Trade and Consumer Affairs to help rural communities in East Malaysia gain access to fuel.

Value Created for Stakeholders

- Created positive customer experience through quality, convenience and innovative products, supported by timely product delivery and reliable after-sales support.

Engagement Platform

	Frequency
• Face-to-face meetings with customers	AR
• Events, dialogues, roadshows and engagements	Y
• Social Media Platform (YouTube, Facebook, Instagram, Twitter)	W
• PETRONAS corporate website	Q
• Customer feedback system	Q
• Marketing activities and outreach programmes	Q
• Online customer surveys	Y
• Customer appreciation programmes	Q