



Fostering a Just Transition

The PETRONAS Just Transition Priorities are Future-Proofing the Workforce, Strengthening the Supply Chain and Supporting Community Resilience.



Our Material Topics

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A just energy transition places people at the centre of change, ensuring that communities and livelihoods are supported as the energy landscape evolves across markets, industries and communities.

Fostering a Just Transition

The energy transition represents a transformative shift towards cleaner energy systems on a global scale. This transition will impact all aspects of society, including the ways we produce, distribute and consume energy.

As technology becomes more accessible and new measures are implemented, the transition towards a lower-carbon economy will create new jobs and business opportunities, reduce pollution and atmospheric emissions. However, it also has the potential to disrupt existing labour markets across the entire energy value chain.

Since our inception, we have steadfastly delivered on our mandate for nation-building and broader industrial ecosystem development, contributing to economic growth and societal progress.

The energy transition will unfold at different paces across countries, and efforts to support inclusive societal progress must advance alongside it. Respecting human rights throughout the energy transition fosters inclusive societies, promotes equitable social and economic growth, and helps prevent exploitation and discrimination.

We are dedicated to implementing PETRONAS Energy Transition Strategy in a manner that promotes a just transition that respects human rights and considers the needs of energy sector employees, suppliers and communities. By doing so, we aim to ensure that new investments lead to enhanced opportunities and improved prospects for these stakeholder groups.

PETRONAS Just Transition Priorities

1 Future-Proofing the Workforce

[Refer to Future-Proofing the Workforce on pages 145 to 156.](#)

2 Strengthening the Supply Chain

[Refer to Strengthening the Supply Chain on pages 157 to 162.](#)

3 Supporting Community Resilience

[Refer to Supporting Community Resilience on pages 163 to 173.](#)



Human Rights - The Foundation

Respecting human rights across our operations and supply chains is fundamental to ethical and sustainable business practices at PETRONAS. Upholding human rights practices fosters trust, strengthens stakeholder relationships and promotes fair labour practices. Failure to address human rights risks can lead to human rights abuses, legal consequences, financial losses and reputational harm, ultimately impacting business resilience and long-term success.

HR Human Rights

Why This Matters

Human rights form the foundation of how we engage with our workforce, supply chain and communities. They guide how we manage the social impacts of our operations and shape our approach to fostering a just transition. We aim to support a just transition in which the shift towards a lower-carbon future takes place in a manner that respects human rights and considers the interests of employees, suppliers and communities connected to our operations.

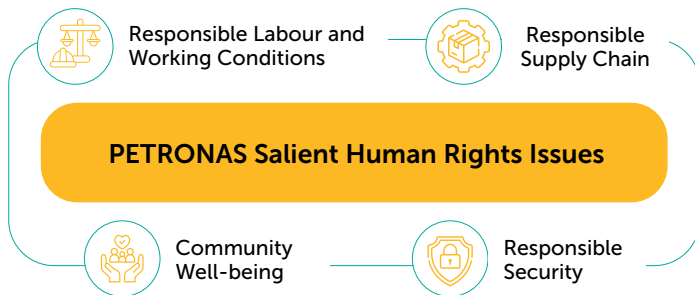
Respecting internationally recognised human rights helps safeguard worker welfare, promote fair labour practices and responsible conduct across our supply chain and community engagements. Where human rights are not effectively managed, adverse impacts may occur, including labour rights infringements, unsafe working conditions or unethical practices that affect workers and communities, and may disrupt business continuity. Effective human rights management strengthens stakeholder trust, supports constructive partnerships and helps maintain our social licence to operate. As we advance our Energy Transition Strategy, these efforts help ensure progress towards a just transition.

Fostering a Just Transition

Our Focus

PETRONAS is committed to respecting all internationally recognised human rights, as set out in the International Bill of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.

We prioritise our efforts on human rights issues most relevant to operations, workforce, supply chain and the communities adjacent to PETRONAS’ activities. These focus areas reflect how human rights considerations are integrated into business practices, strengthening due diligence, accountability and continuous improvement across operations and business relationships.



Our Approach

Our approach is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct, while complying with all applicable laws in countries in which we operate.

The Board-approved PETRONAS Human Rights Policy, effective April 2024, reinforces what we stand for in respecting and promoting human rights across our operations and supply chains. This Policy provides a clear steer for ethical and responsible practices, embedding human rights principles into our business.

The salient human rights issues identified are: responsible labour and working conditions, responsible supply chain, community well-being and responsible security.

Internal and external stakeholders, including employee representatives, national and regional human rights organisations and industry peers, were engaged in the development of the PETRONAS Human Rights Policy to help ensure that diverse perspectives and expectations were considered. Going forward, we will periodically review the Policy to maintain alignment with evolving internationally recognised standards and good practice in responsible business conduct.

PETRONAS takes a structured and principle-based approach to managing our human rights commitments. This approach is anchored in our Human Rights Policy and guided by key principles: respect for internationally recognised human rights; a risk-based approach to human rights due diligence to identify, prevent, mitigate and account for how we address impacts; access to effective grievance mechanisms and remedy; governance and oversight to support implementation; and transparent, Group-wide disclosure and reporting.

In accordance with the UNGPs, our approach is built on three core pillars: Policy, Due Diligence and Access to Remedy. These pillars guide how human rights considerations are addressed across our business activities and relationships.

Policy
Establish clear standards, accountability and oversight through the PETRONAS Human Rights Policy and supporting governance frameworks.
Due Diligence
Identify, assess and manage human rights risks across employees and suppliers, as well as affected communities, using data-driven insights, stakeholder engagement and ongoing monitoring.
Access to Remedy
Provide accessible and rights-compatible grievance mechanisms that enable fair resolution and continuous improvement.



Scan the QR code to visit PETRONAS Human Rights Policy for detailed information

Upholding Transparency: MISC's Ongoing Commitment to Addressing Modern Slavery

PETRONAS' shipping subsidiary, MISC, remains committed to addressing modern slavery and reinforces this through the annual publication of our Modern Slavery Statement, in alignment with the UK Modern Slavery Act 2015. The Statement provides transparency on our approach to identifying, assessing and managing modern slavery and human trafficking risks across operations and supply chains. The latest edition, approved by the Board, was published in April 2026.

Following the rollout of the MISC Human Rights Policy in 2024, human rights risk management was strengthened through expanded Human Rights Risk Assessments, enhanced third-party requirements, explicit human rights commitments under the Declaration of Integrity Pledge, and continued conducting awareness programmes for employees and third parties.

Active engagement with key stakeholders was maintained, including with industry partners and regulators, to stay abreast of evolving regulatory requirements and best practices. This is to ensure that our approach remains relevant, responsive and forward-looking.



With the theme 'Upholding Human Rights Values, Building Business Resilience', PETRONAS Human Rights Day 2025 provided space for leaders, human rights practitioners and staff members across various parts of the organisation to listen, reflect and act on the shared role in shaping PETRONAS' commitment to upholding human rights.

Our Progress

In 2025, we continued implementing the PETRONAS Human Rights Policy across the Group, focusing on salient issues related to employees, communities, workers in the supply chain and security operations. Efforts centred on strengthening governance coordination through the PETRONAS-internal Human Rights Command Centre, raising awareness on human rights due diligence and supporting the integration of human rights considerations into existing operational processes. We also worked to enhance visibility of grievance mechanisms and strengthen oversight of potential human rights risks, enabling a more consistent application of the Policy across the Group.

Responsible Labour and Working Conditions



The Group has an established people governance process to protect employee rights, dignity and well-being, while supporting capability development across the employment life cycle. This process applies throughout our operations, including during periods of organisational change.

Employee Due Diligence

Human rights risks affecting employees are identified, assessed and managed through dedicated due diligence processes, supported by access-to-remedy mechanisms, applied consistently across PETRONAS Group-wide operations.

Engagement with trade unions and employee representatives supports risk identification, and appropriate mitigation measures create safe spaces for continuous feedback as well as reduces the risk of dispute. Workforce and grievance indicators are monitored to inform management responses.

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Human rights risk prevention and mitigation measures continue to be implemented through policies and programmes that promote fair employment practices, safe working conditions, employee engagement, capability development and access to grievance mechanisms, supported by ongoing monitoring of workforce and grievance indicators to address potential concerns. Where concerns may arise, the respective Human Resources Business Partner coordinates the process for resolving cases and providing appropriate remedy where impacts occur.

Moving forward, PETRONAS is committed to further enhancing our risk identification and assessment in employee due diligence through established processes, including Social Risk Assessment, workforce analytics, employee feedback, engagement with trade unions and employee representatives, monitoring of grievance trends, and internal consultations with relevant functions.

Working Hours and Rest Days

We manage working hours in line with national labour laws and international human rights standards, supporting responsible working conditions and employee well-being. Average working hours are 42 hours per week for offshore and shift employees, and 39 hours per week for other employees.

Eligible employees receive two rest days per week across various work arrangements, including standard office hours and shift-based schedules, with at least one rest day per week in accordance with the Malaysian Employment Act.

In 2025, The Ministry of Human Resources has granted an exemption for 2,539 offshore employees due to operational requirements. Non-executive employees who work on rest days receive compensation in accordance with the terms of the collective agreement.

We comply with regulated working hours and monitor overtime to prevent excessive work and fatigue. In support of diverse workforce needs, flexible work arrangements, including working hours and work-from-home options, are available based on role suitability and business requirements. Access to these arrangements is implemented in a non-discriminatory manner, with participation tracked and reported by gender.

Collaborative Social Dialogue and Trade Union Engagement

PETRONAS upholds social dialogue and constructive stakeholder engagement on different aspects of the energy transition. Such efforts also help ensure fair labour practices amid workforce transformation efforts. We regard social dialogue as a critical enabler of a just and responsible energy transition.

We work closely with employees and trade unions through ongoing social dialogue, including structured engagement sessions, to discuss workforce-related implications of the energy transition. Key topics include capability needs, workforce adjustments, reskilling priorities and employee well-being. These engagements provide a platform to raise concerns, share perspectives and be informed of PETRONAS' workforce and transition plans.

This engagement continues during periods of change to support transition planning, with structured grievance mechanisms and capability-building initiatives reinforcing trust and industrial harmony.

In 2025, we conducted engagement sessions with trade union leaders and representatives to gather feedback on operational matters and workforce strategy. This ongoing engagement forms an important part of our Just Transition approach, helping to ensure worker perspectives inform responsible people practices and decision-making.

2025 Overview for Malaysia

5

trade unions covering almost 9,500 non-executive employees under a Collective Agreement, equivalent to 23 per cent of Malaysia-based staff. Total trade union membership stands at 8,458 members.

5

Collective Agreements were in force, covering employment terms and conditions.

64

engagement sessions were held with trade union representatives.

Note:

Beyond Malaysia, PETRONAS recognises more than 20 trade unions and work councils across our global operations, collectively representing more than 800 employees.

Collaborative Social Dialogue

Our social dialogue engagement followed these four steps:

Impact Assessment: We shared relevant business case assessments with trade unions to identify potential implications for talent pipelines, particularly for employee groups covered by collective agreements.

Obtaining and Incorporating Feedback: Feedback gathered during the sessions was then used to refine talent management proposals, helping to keep workplace policies and reskilling pathways practical and responsive to workforce needs.

Management Review and Oversight: The proposals were subsequently reviewed and submitted for approval through PETRONAS governance process.

Coordinated Implementation: Implementation and communications were coordinated with trade union leaders and representatives to support transparency, manage potential grievances and maintain harmony.

Notice of Operational Changes

Collective agreements define notice periods and consultation processes, with each agreement running for three years and remaining valid until replaced. Either party may give three months' written notice to initiate renegotiation and any amendments require mutual agreement and submission to the Industrial Court. These arrangements ensure transparency, consultation and orderly change management.

Responsible Supply Chain



We rely on a large and diverse supplier base within the Oil and Gas Services and Equipment (OGSE) ecosystem to support operations and the energy transition. Many suppliers, particularly small and medium enterprises (SMEs), operate at uneven levels of maturity, with gaps in human rights awareness and data readiness, particularly in disclosure practices. Effective human rights management helps ensure workers are treated fairly and work in safe conditions, strengthening Health, Safety and Environment (HSE) performance, supporting operational continuity and reinforcing PETRONAS' compliance and stakeholder trust.

External expectations on human rights in supply chains continue to tighten. Globally, due diligence regulations such as the European Union Corporate Sustainability Due Diligence Directive extend human rights and environmental obligations into value chains, increasing scrutiny of supplier practices. In Malaysia, the National Action Plan on Business and Human Rights reinforces expectations that companies identify, prevent and address human rights risks arising from business relationships and value chains.

These dynamics shape PETRONAS' priority to apply a risk-based, phased approach that embeds human rights into supply chain management, while recognising differing levels of capability and readiness among suppliers.

Human Rights in Procurement and Licensing

We integrate Human Rights Due Diligence into the procurement process through upfront screening during supplier registration to manage human rights risks, particularly in high-risk sectors and labour-intensive services. As stipulated in the PETRONAS Contractors Code of Conduct on Human Rights, human rights requirements for suppliers include non-violation of child labour, forced labour, adherence to labour rights, humane treatment, non-discrimination, freedom of association and access to effective grievance mechanisms. These requirements are also embedded in licensing and contractual arrangements so that human rights governance is instilled within supplying organisations' practices.

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Contractors Code of Conduct on Human Rights Attestation and Self-Assessment

Mandatory completion of self-assessments requires suppliers to declare their human rights practices and attest to compliance with the PETRONAS Contractors Code of Conduct on Human Rights, including the prohibition of forced and child labour. This requirement applies to all licensed and registered suppliers operating in Malaysia through the PETRONAS License Management System.

PETRONAS Supplier Human Rights Due Diligence Process

Communicate Expectation to Suppliers

Expectation on Responsible Supply Chain is made compulsory through PETRONAS Contractors Code of Conduct on Human Rights which is available on PETRONAS' website. It is also embedded in contractual clauses and communicated through supplier engagements, and stakeholders forums and dialogue.

Apply Risk-based Approach for Supplier Risk Identification

Identify potential human rights risks, including child labour and forced or compulsory labour, across the supply chain based on country and sector exposure, and prioritise suppliers operating in higher risk contexts.

Validate Supplier Human Rights Risk

Validate identified risks, where required, through sampling-based reviews and assurance activities to confirm the nature and severity of potential impacts.

Issuance of Corrective Action Plan to Suppliers

Prevent and mitigate adverse impacts by implementing corrective action plans within agreed timelines, supporting remediation and tracking implementation progress.

Supply Chain Human Rights Reporting to Stakeholders

Monitor and report supply chain human rights performance over time through established governance structures, corporate committees and reporting channels.

Upfront Due-Diligence

We screen suppliers early in the procurement process, including sourcing, licensing and registration, to identify human rights risks through the mandatory PETRONAS Contractors Code of Conduct on Human Rights, supported by attestation and self-assessment. Data submitted by suppliers through the Contractors Code of Conduct on Human Rights are analysed to assess their human rights practices, using a risk-based approach on a sampling basis. The Contractors Code of Conduct on Human Rights requirements are embedded in contractual clauses.

Addressing Human Rights Impact

Suppliers identified as having potentially significant human rights risks are subject to further validation and investigation. Human rights assurance reviews are used to verify the potential significant human rights risks declared by suppliers through attestation and self-assessment. Other related requirements will also be verified during such reviews, where evidence will be collected and analysed to ascertain suppliers' compliance to domestic laws and international human rights standards. Conversations with supplier's top management and workers will also be documented as part of the validation. Once human rights gaps are identified, prevention and corrective action plans will be developed with the supplier to execute within an agreed timeframe to safeguard PETRONAS against human rights violations in our supply chain. The preventive and corrective actions are monitored closely to ensure gaps are being addressed. Consequence management will be imposed to suppliers that failed to remedy the human rights gaps after exhaustive efforts undertaken by PETRONAS. Failure by suppliers to comply with the requirements set out in the Contractors Code of Conduct on Human Rights may result in actions taken by PETRONAS, including terminating the non-complying party's relationship with PETRONAS and other measures.

Suppliers are also required to maintain their own grievance mechanisms and conduct due diligence of their operations, as part of the Contractors Code of Conduct on Human Rights requirements.

Enforcement of PETRONAS Contractors Code of Conduct on Human Rights

Human rights requirements are systemically embedded in the procurement governance process, covering supplier screening during onboarding at the licensing/registration stages, the sourcing stage and through contractual clauses throughout the year. Enhancements to system-based screening, consequence management and targeted engagement with higher-risk suppliers have strengthened the implementation of human rights due diligence in day-to-day procurement governance.

Activity Areas	Initiatives in 2025	Outcomes
<p>Strengthen Procurement Safeguards</p>	<p>Embedded PETRONAS Contractors Code of Conduct on Human Rights Self-Attestation in Sourcing Tool as a mandatory requirement and enhanced Procurement Contractual terms with explicit mention of Contractors Code of Conduct on Human Rights adherence in existing human rights clause.</p>	<ul style="list-style-type: none"> • End-to-end human rights safeguards are embedded across the procurement process, starting from licensing/ registration, sourcing and contractual stages, to provide clearer guidance to suppliers on PETRONAS’ human rights requirements. • In 2025, new suppliers within the PETRONAS License Management System were screened against defined criteria through completion of the PETRONAS Contractors Code of Conduct on Human Rights Self-Assessment, increasing cumulative coverage to around 6,330 licensed and registered suppliers. This figure includes suppliers at various registration statuses within the system. • As at year end, 4,775 suppliers had submitted the assessment, up from 3,647 submissions in 2024, and attested to adherence to the PETRONAS Contractors Code of Conduct on Human Rights, including no violations related to forced labour and/or child labour. • The overall increase reflects ongoing screening efforts alongside growth in the supplier population over the year.
<p>Collaborate to Mitigate the Human Rights Risk</p>	<p>Discussed and agreed on preventive and corrective action plans to be implemented by suppliers within an acceptable timeframe, conducted targeted engagement sessions with suppliers identified as having potentially significant human rights risks and provided clear pathways to remedy.</p>	<ul style="list-style-type: none"> • Conducted two virtual sessions in March and June 2025 to better understand the nature of identified gaps and support corrective actions. These sessions provided guidance on applicable do’s and don’ts aligned with relevant laws and emphasised the consequences of non-adherence. • Provided suppliers with the PETRONAS Contractors Code of Conduct on Human Rights guidelines. • Following engagement and mitigation actions in 2025, 58 per cent (464) of suppliers identified as potential high-risk demonstrated improved sustainability risk ratings.
<p>Enforcement of Consequence Management</p>	<p>Applied consequence management for suppliers that did not submit the PETRONAS Contractors Code of Conduct on Human Rights Attestation and Self-Assessment, as well as suppliers that failed to mitigate identified human rights gaps within the required timelines, by restricting their progression in procurement processes until requirements were met.</p>	<ul style="list-style-type: none"> • Minimised or eliminated suppliers with potential human rights risks from becoming PETRONAS business partners, thereby reducing risks to PETRONAS’ business operations. • Improved visibility of supplier compliance status and reinforced that human rights expectations are an integral part of formal procurement governance, rather than a discretionary practice. • A total of 1,555 suppliers were subject to consequence management due to non-compliance arising from non-submission of the PETRONAS Contractors Code of Conduct on Human Rights Attestation and Self-Assessment.

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Responsible Security



Security Due Diligence

PETRONAS conducts human rights due diligence to ensure early identification of potential security challenges. Country-level assessments are designed to determine whether operating locations require closer attention from a responsible security perspective, informed by contextual risk indicators, engagement with security providers and the nature of activities on the ground.

In 2025, PETRONAS strengthened the responsible security country classification approach. This work focused on updating the assessment methodology, risk matrix and implementation guideline to improve clarity, consistency and objectivity, and to better support context-sensitive application of the responsible security risk assessment framework.

The enhancement process continues through 2026 and is informed by feedback from business counterparts in countries where earlier assessments were conducted. These engagements have highlighted opportunities to adjust the weighting of risk indicators, refine matrix parameters, strengthen documentation guidance and improve methodological rigour to better reflect operational realities across diverse jurisdictions.

During this period, emphasis was placed on reinforcing governance, capability building and awareness across international operations. Responsible security and human rights governance expectations, including compliance requirements, were communicated through briefing sessions with selected business units, operating units and country offices. Training and refresher programmes were also delivered for PETRONAS personnel, including auxiliary police and international security focal points to strengthen understanding of human rights risks and responsibilities in security operations.

Efforts continued to progressively integrate responsible security contractual provisions into new and existing agreements with third-party security providers. These ongoing enhancements strengthen oversight and support alignment with the Voluntary Principles on Security and Human Rights.

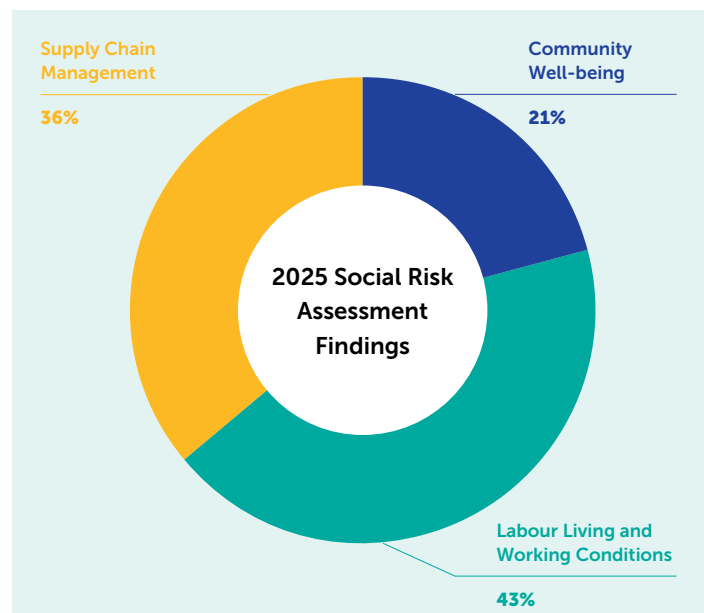
Community Well-Being



Social Risk Assessment

The PETRONAS Social Risk Assessment process considers the following:

- Conduct due diligence to proactively identify, prevent and mitigate adverse human rights impacts across operations.
- Engage relevant stakeholders through structured formats, including interviews and consultations.
- Conduct site visits to gather on-ground insights into human rights performance and potential risk drivers.



In 2025, PETRONAS conducted five social risk assessments. All identified findings due during the year were addressed and mitigated. By theme, social risk assessment findings related to labour, living and working conditions represented 43 per cent of findings, and were primarily due to uneven awareness of human rights risks and grievance management processes.

Findings related to supply chain management represented 36 per cent and were mainly associated with contractor alignment with the PETRONAS Code of Conduct on human rights requirements.

Findings related to community well-being represented 21 per cent, indicating opportunities to improve grievance mechanisms and related administration so that affected stakeholders can raise concerns and access remedy.

In response, we continue targeted labour rights training and engagement sessions with employees and contractors, and work to improve the visibility and effectiveness of grievance mechanisms.

Indigenous Peoples Assessment

We conduct the PETRONAS Indigenous Peoples Assessment to identify and address potential impacts on Indigenous Peoples arising from new projects, ongoing operations, facility modifications or expansions, decommissioning activities, and acquisitions, including businesses, facilities or equity interests. Assessments are initiated when potential risks or impacts are identified at the early stages of project planning or evaluation. Where applicable, we seek Free, Prior and Informed Consent, with the decisions guided by subject matter experts based on the nature and location of the activity and its potential impacts. This approach recognises the right of Indigenous Peoples to participate in decision-making on matters that may affect their lands, livelihoods, natural resources and social development.

In 2025, no assessments were initiated, as no projects or activities were identified as having potential impacts on indigenous communities.

Land Acquisition and Involuntary Resettlement Assessment

Land acquisition for projects and operations may result in physical or economic displacement, including voluntary or involuntary resettlement and/or impacts on livelihoods. PETRONAS manages the human rights aspects of land acquisition and resettlement through a dedicated team that oversees consultation with affected stakeholders prior to land purchase. In Malaysia, a government-led process guides engagement with relevant authorities to minimise adverse impacts on communities and to ensure appropriate compensation, where required.

Where relevant, PETRONAS develops stakeholder engagement and communication plans to keep communities informed and to incorporate feedback throughout the project life cycle. PETRONAS respects local and Indigenous Peoples' land access and usage rights on company-controlled land, and holds discussions with communities to understand how traditional practices and cultural heritage can be appropriately recognised.

Human Health Risk Assessment

We conduct environmental health risk assessments to evaluate potential threats to human health, and to inform measures that support a safe environment for the communities in which we operate. In 2025, environmental health screenings were implemented across projects to support earlier identification and assessment of potential community health risks in the facility's life cycle. Following external verification of the human health risk assessment, we strengthened elements of the methodology to support more consistent and robust environmental health evaluations.

Fostering a Just Transition

Access to Remedy

In 2025, grievance mechanisms within PETRONAS' operational control remained accessible across operations and where applicable, the value chain, enabling employees, suppliers and communities to raise concerns through established reporting channels.

Employee-related Grievances

For employee grievances, we uphold the right to a fair and transparent process, with concerns addressed without prejudice and in line with applicable policies and procedures. During the year, 58 per cent of employee-related grievances were resolved within the established timeframe.

Performance-related grievances are assessed based on objective fact-finding and evidence to determine whether a revision to a performance rating is warranted, with outcomes guided by merit.

For grievances concerning leadership behaviour or employment conditions, remediation is determined holistically and is proportionate to the nature of the concern raised.

Supply Chain-related Grievances

In the area of supply chain grievances, 26 cases were recorded and investigated, covering issues such as labour practices and worker welfare. Of these, 88 per cent were closed following remediation, while the remaining cases are being addressed and are expected to be resolved within the agreed timeframe.

Community-related Grievances

For community-related grievances, 44 cases were recorded during the year, all of which were closed within the reporting period. Most cases (93 per cent) related to community health and safety matters, including odour nuisance, fire incidents, right-of-way maintenance activities and road safety concerns affecting nearby communities, while the remaining 7 per cent related to access to livelihoods.

Grievance Cases Recorded in 2025

Operational Control

53

employee grievance cases.

ZERO

employee grievance cases classified as related to discrimination.

26

supply chain grievance cases were recorded, which were related to labour practices and worker welfare.

44

community grievance cases.

2

security personnel grievance cases.

ZERO

grievance cases related to land access or resettlement.

ZERO

grievance cases related to Indigenous Peoples.



Scan the QR code to visit Sustainability Performance Data for detailed information.

Strengthening the Effectiveness of the Health, Safety and Environment Grievance Mechanism

A third-party assessment of the PETRONAS Health, Safety and Environment (HSE) Grievance Mechanism was conducted in 2025 with reference to the United Nations Guiding Principles on Business and Human Rights (UNGPs).

The assessment recognised several established practices as follows:



A **structured approach to grievance management** defined at corporate level.



Multiple access points for raising grievances, tailored to operational context.



Mandatory training for grievance focal points and community liaison officers, including a two-day course, with refresher sessions as needed, alongside mandatory human rights training for PETRONAS staff.



A **stated commitment to non-retaliation and confidentiality** within the PETRONAS Code of Conduct and Business Ethics and related grievance mechanism procedures.



A **transparency commitment** to provide progress updates to grievants within one month and periodically thereafter where resolution takes longer.

The assessment found that governance elements of the mechanism were largely aligned with the UNGPs' procedural expectations. It also noted areas where implementation was only partially aligned across operating units and assets, reflecting inconsistent practices. In addition, the assessment identified limitations in available evidence in certain areas, due in part to the scope of technical sampling and limited engagement with rights holders. Areas identified as not aligned were primarily related to rights compatibility and the handling of grievances in conflict and post-conflict settings.

In response, PETRONAS is strengthening grievance mechanism implementation through targeted actions, including updating relevant governance documents, enhancing communication and engagement with rights holders, and building capability among social performance practitioners, grievance focal points and community liaison officers. We also plan to enhance our enterprise grievance mechanism digital tool in 2026 to support more standardised case management practices.

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Building Human Rights Understanding and Capability

In 2025, we strengthened practical understanding of human rights responsibilities across our workforce and relevant external stakeholders, including suppliers, through communication and targeted capability-building initiatives aligned with salient human rights issues.

Salient Human Rights Issue	Purpose	Training and Upskilling in 2025
Responsible Labour and Working Conditions	Strengthen understanding of labour rights and promote the consistent application of workforce-related human rights requirements.	<ul style="list-style-type: none"> Conducted two human rights training sessions for human resources practitioners.
Responsible Supply Chain	Increase awareness of labour standards and expectations among suppliers.	<ul style="list-style-type: none"> Conducted 15 human rights training sessions for suppliers. Trained 131 internal procurement staff (also known as 'PETRONAS buyers') on human rights.
Responsible Security	Reinforce responsible principles and human rights considerations in security operations.	<ul style="list-style-type: none"> Provided human rights and responsible security awareness training to 615 personnel, including 610 PETRONAS Auxiliary Police personnel and five Group Security executives, covering the responsible use of force, firearm responsibilities and human rights considerations in security operations.
Community Well-being	Improve organisational capability to manage community-related human rights risks.	<ul style="list-style-type: none"> Conducted three social risk assessment training sessions. Facilitated 13 grievance mechanism training sessions. Delivered one masterclass and convened a social performance technical forum on business and human rights due diligence in the context of the global energy transition.

Enterprise-wide Communication and Awareness

The PETRONAS Sustainability Network serves as a platform for sustainability practitioners across the Group to share knowledge and good practices. In 2025, a dedicated session focused on the importance of identifying, preventing, mitigating and accounting for business-related human rights impacts, and on strengthening organisational capability for human rights due diligence.

To further support consistent application across the Group, PETRONAS established an internal human rights portal which centralises policy guidance, risk management resources and grievance information.

Sustainability Impact

During the year, our human rights processes guided how concerns were surfaced and addressed across workforce, supply chain, security and community contexts. These practices supported coordinated responses while operational and organisational changes were implemented.

Workforce-related matters were monitored closely during organisational changes, with information from assessments, monitoring and grievance channels reviewed alongside operational indicators to enable timely escalation through existing management processes. Transition-related workforce concerns were managed through established consultation and remedy channels.

In the supply chain, PETRONAS Contractors Code of Conduct on Human Rights Attestation and Self-Assessment by suppliers, engagement and corrective action tracking clarified responsibilities between PETRONAS and suppliers. For community and security-related matters, defined assessment methods and trained focal points supported more consistent handling of human rights concerns across locations.

1 Future-Proofing the Workforce

The energy transition is reshaping industries, demanding both technological advancements and a capable, agile workforce to drive progress. Innovation alone is not enough. Technology and talent must work hand-in-hand. We are committed to building a future-ready workforce by continuously investing in education, reskilling and upskilling, and industry collaboration while reshaping the organisation to better respond to evolving technologies and market dynamics.

For several decades, we have steadily invested in nurturing talent, ensuring that our employees are equipped to leverage new technologies. To stay ahead, we are enhancing workforce planning, strengthening skills and capacity to support the energy transition, and fostering agility through lifelong learning and technical training.

We ensure that the well-being of our workforce remains a priority and that all workforce-related matters are handled responsibly, in accordance with our policies and applicable employment laws. We uphold employee rights and engage constructively through structured dialogue with employees and their representative bodies through dedicated programmes and structured dialogue.

HC Human Capital

Why This Matters

Our ability to operate safely and sustain performance across our Core and New Businesses depends on having the right capabilities, leadership and workforce readiness.

As decarbonisation, digitalisation and portfolio shifts reshape PETRONAS' operating model, we strengthen organisational effectiveness through defined structures, governance, agile ways of working and a robust talent system. In parallel, we prepare our workforce for evolving roles by developing relevant capabilities and upholding responsible people practices ensuring fair employment, transparent communication, access to learning and meaningful support to sustain performance and preserve critical capabilities.

As the energy transition accelerates, we continue to strengthen governance of workforce impacts to ensure changes are managed fairly and responsibly.

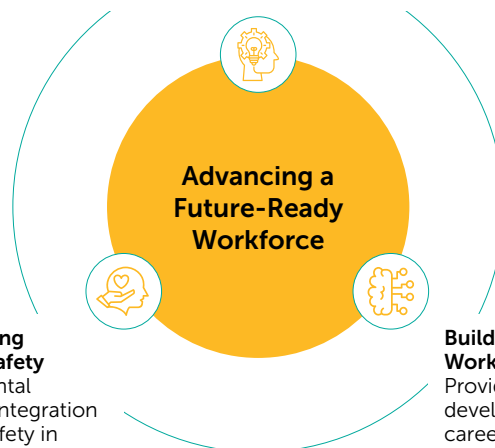
Our Focus

We focus on strengthening workforce readiness and organisational resilience to support the delivery of our Energy Transition Strategy. This includes aligning workforce structures to evolving business needs, building future-ready capabilities and ensuring continuity of critical skills.

We also uphold responsible workforce practices by ensuring fair employment, transparent communication, access to learning and meaningful support. Governance of workforce impacts continues to be strengthened to ensure transitions are managed in a fair and responsible manner. This is guided by the following focus areas:

Attracting Talent with Purpose

Offering competitive remuneration, clear career pathways and a purpose-driven, inclusive culture to attract and retain talent.



Supporting Well-Being and Psychological Safety

Fostering health, mental resilience, work-life integration and psychological safety in leadership, employee and transformation efforts to sustain performance.

Building a Future-Ready Workforce

Providing learning, development and early-career capability solutions for a changing energy system.

Fostering a Just Transition

Our Approach

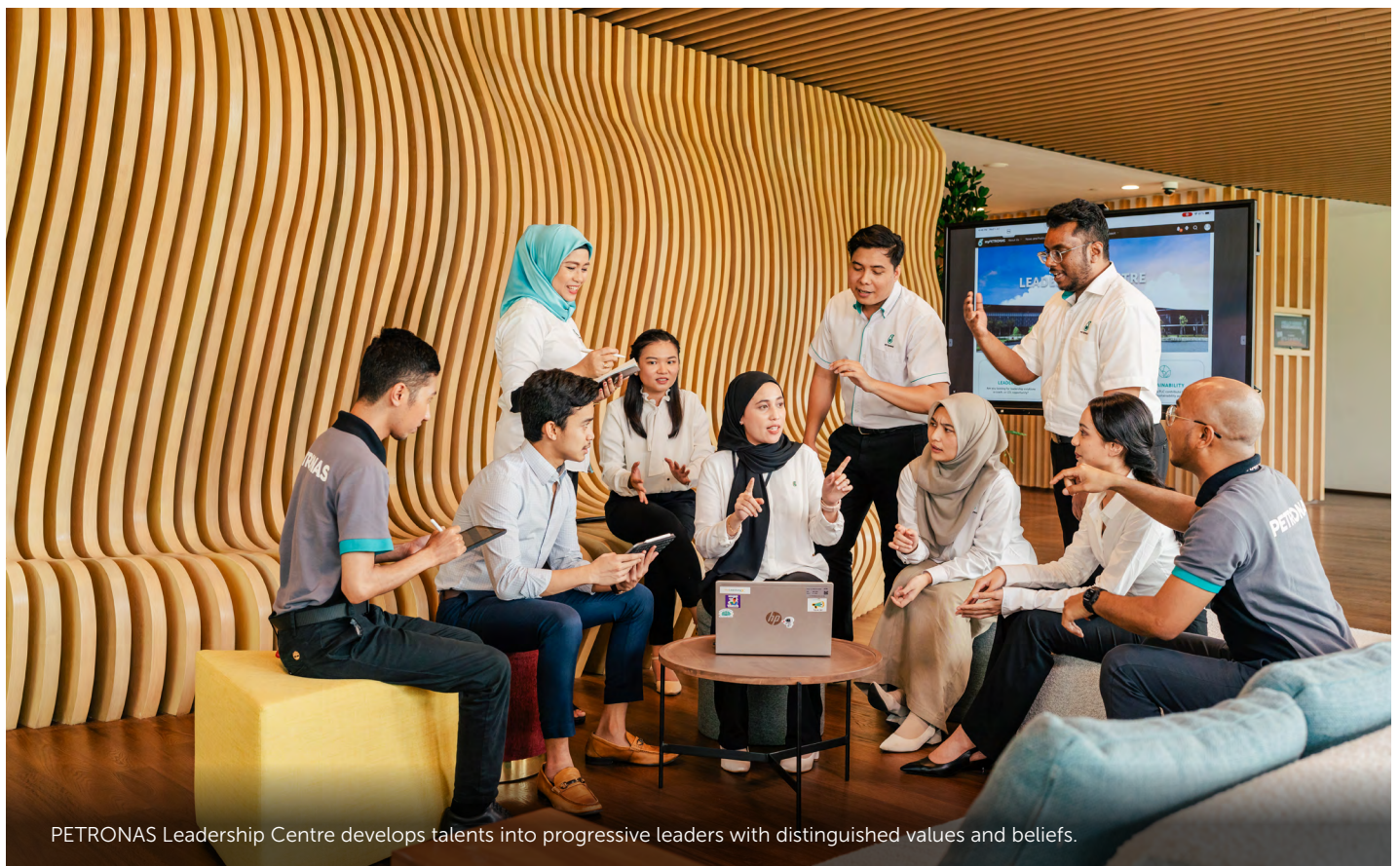
Our approach is grounded in meritocracy, inclusivity and continuous learning, recognising that employees value purpose, growth and well-being alongside remuneration and progression.

We invest in skills, leadership capability and learning agility to enable employees to adapt, grow and contribute across evolving roles. Health and well-being are embedded in everyday people management, with a focus on mental resilience, work-life integration and psychological safety.

Work culture and leadership expectations are reinforced through governance, accountability and management oversight, ensuring consistency, fairness and transparency in talent decisions.

As business needs evolve, adjustments to roles and workforce structures are guided by principles, sound governance and respect for people, with attention to capability continuity and long-term employability.

We prioritise active engagement and dialogue with employees to ensure workforce perspectives inform how change is managed. This reflects the PETRONAS Shared Values of Loyalty, Integrity, Professionalism and Cohesiveness, as well as our Cultural Beliefs, and aligns with our Just Transition priorities related to workforce, which guide workforce changes through fairness, transparency and inclusive decision-making.



PETRONAS Leadership Centre develops talents into progressive leaders with distinguished values and beliefs.

Our Progress

Attracting Talent With Purpose



Strategic Workforce Planning

Strategic workforce planning ensures that the organisation has the right capabilities, capacity and leadership depth to remain competitive, resilient and operationally strong in business performance. This includes anticipating future skillsets aligned with our strategic priorities, particularly as we advance our Energy Transition Strategy and evolve our business portfolio.

We continue to strengthen our talent management approach to support workforce resilience, leadership continuity and fair transition outcomes. Our strategic workforce planning is guided by business priorities and capability requirements. Additionally, we engage with employees, trade unions and relevant internal stakeholders to ensure that capability planning and transition-related considerations reflect diverse perspectives while maintaining productivity and alignment with business needs.

PETRONAS strives to maintain an appropriate workforce size and structure to support operational performance and strategic growth. As our business portfolio and operating model evolves, periodic adjustments align roles, capabilities and emerging skill requirements with future priorities.

We undertook a workforce rightsizing exercise to improve organisational effectiveness, strengthen critical capabilities and enhance operational efficiency, while supporting long-term transition needs. The exercise was carried out under Board and senior management oversight, to ensure the process was fair, transparent and supported by comprehensive social protections. This included support measures that prioritised fair and respectful treatment for employees, such as a competitive separation package, career transition support, as well as upskilling and reskilling programmes. These efforts enabled the organisation to maintain the capabilities required for ongoing operations and future growth. Where workforce rightsizing occurs, PETRONAS monitors redeployment and separation outcomes to support transparent workforce planning and responsible transitions.

Employee Benefits and Fair Remuneration

We aim to provide fair and competitive remuneration that reflects role requirements, individual contribution and market standards. Compensation is determined through merit-based processes, aligned with job responsibilities, performance and external market references, while applied consistently without discrimination based on gender, age, nationality, ethnicity or religion. Our remuneration framework covers both monetary and non-monetary benefits.

Employees in Malaysia receive a comprehensive package covering salary, leave entitlements including maternity leave of 98 days and paternity leave of five working days, as well as various other leave entitlements. Benefits for employees outside Malaysia are subject to market-based employment terms and conditions, while protection remains in place for workers affected by transition-related workforce rightsizing.

PETRONAS' remuneration practices are positioned above the statutory minimum wage requirements and are aligned with job worth and market benchmarks for employees based in Malaysia. Under the Minimum Wages Order 2024, the Malaysian minimum wage increased from RM1,500 to RM1,700, effective August 2025. The average entry level salary for PETRONAS employees in Malaysia exceeds the national minimum wage by 19 per cent.



Scan the QR code to visit [Life@PETRONAS](#) for detailed information.

In Malaysia, medical care coverage for employees and their dependants provides equitable access to healthcare services, including maternal, dental and optical care, alongside preventative health screenings. Recognising the critical intersection of gender and health, coverage also extends to sexual and reproductive healthcare, including diagnostic assessments and medical interventions for hormonal and gynaecological conditions. This ensures employees receive specialised care for underlying health factors, with the exception of assisted fertility or infertility treatments.

Employee benefits include allowances such as connectivity support and assistance for children with special needs, alongside development opportunities. Access to home and vehicle financing is provided to eligible employees in line with established policies and employment frameworks. Benefits for contract employees may vary depending on the terms and duration of their contract.

As our business portfolio evolves, PETRONAS continues to support fair, safe and inclusive work practices while managing workforce impacts of the energy transition. This includes ensuring employees have access to equitable opportunities which are aligned with our Energy Transition Strategy such as capability-building for roles across six key new areas, namely Renewable Energy, Hydrogen, Green Mobility, Bio-based Solutions, Specialty Chemicals, and Carbon Capture and Storage.

Fostering a Just Transition

Building A Future-Ready Workforce



Talent Pipeline

A strong talent pipeline is critical to sustaining business performance, leadership continuity and long-term growth. Recognising this, we adopt a structured and governance-driven approach to talent development to ensure alignment with business priorities. Talent and succession discussions are conducted through established platforms to strengthen leadership readiness for critical roles.

Leadership development is guided by structured frameworks and delivered through targeted programmes for emerging and established leaders. These programmes focus on building leadership capability, strengthening decision-making and supporting an inclusive, high-performing work environment.

Collaboration with national Technical and Vocational Integrated Skilled Talent Advancement VISTA i-plus stakeholders such as government bodies, learning institutions and industry players support the development of a skilled workforce aligned with Malaysia's long-term talent needs, strengthening access to critical skills while supporting broader socio-economic transition objectives.

We continue to strengthen talent and succession planning through leadership development programmes, clearly defined career pathways and structured succession planning that evolve with asset portfolio priorities. Development of future-ready talent is also implemented through the PETRONAS Leadership Centre, via in-role programmes spanning managers to C-suite executives, ensuring leadership capability building is embedded within actual business contexts. As a result, we have reinforced leadership continuity with a strong talent bench, placing approximately three potential successors for most critical roles in 2025, while securing capabilities in priority disciplines and identifying high potential individuals earlier in their careers.

In supporting the Malaysian Government's efforts to develop a future-ready workforce, we continue to implement the Graduate Employability Enhancement Scheme, a structured one-year programme that combines experiential learning, soft skills development, entrepreneurial knowledge and technical training for unemployed graduates. Our efforts also include supporting local and international scholars at Universiti Teknologi PETRONAS, as well as structured internship placements that strengthen early-career pathways, mid-career sponsorship and support the transition from education to employment. These efforts have enabled us to secure critical capabilities in priority disciplines while identifying high-potential talent early.

Strengthening Future-Ready Capabilities

PETRONAS identifies current and emerging skills gaps, and strengthens reskilling and upskilling efforts to support employees whose roles may evolve. In this aspect, we are guided by the PETRONAS Strategic Workforce Planning which encompasses role criticality assessments, PETRONAS Capability Development Priorities and forward-looking skills mapping aligned to the PETRONAS Energy Transition Strategy. These efforts are designed to ensure that our workforce remains agile and equipped with future-aligned capabilities as business needs change.

Our programmes for employees cover new energy and sustainability-related disciplines, including the development of skills relating to carbon management, hydrogen, renewables and circular economy, while building sustainability literacy and digital fluency, including artificial intelligence (AI). Leadership and technical programmes delivered, among others, through the PETRONAS Leadership Centre and Institut Teknologi Petroleum PETRONAS (INSTEP), the Group's technical training institute for the energy industry, prepare employees to work with emerging technologies and lower-carbon solutions.

Training investment is tracked through structured learning metrics, including investment per employee and average learning hours, to maintain alignment between capability development and business priorities. These indicators provide visibility into workforce readiness and support ongoing skills planning.

2025 Training Investment and Learning Hours

RM439.0 million
total investment in employee training.

49 hours
average learning hours per employee.

Training investment remained strong in 2025 as we continued building the capabilities required for the energy transition and evolving business priorities. Total investment in employee training amounted to RM439.0 million, supporting targeted learning aligned with business needs.

Average training hours for employees stood at 49 hours in 2025, reflecting a decrease from 57 hours from 2024 as the organisation shifts towards more agile training approaches, including on-the-job and AI-enabled learning. These efforts demonstrate our commitment to ensure a culture of continuous learning across the organisation.

PETRONAS also remains committed to developing skills and competencies aligned with business and industry requirements to support a just transition. Upskilling in AI, automation and carbon management remains a key focus to ensure talent continues to drive energy innovation and resilience. Accelerated skill development is achieved through seamless integration of learning into daily workflows and tailored, role-specific pathways, empowered by generative AI.

This commitment to talent development is further demonstrated through active participation in shaping the national agenda, including contributions to TalentCorp’s impact study on AI and the Digital and Green Economy in the Malaysian oil and gas workforce, approved by the Ministry of Human Resources in 2025.

Skills development is integrated with talent mobility to ensure capabilities are applied where they are most needed. This is supported by periodic employee assessments, performance reviews, superior check-ins and structured processes that inform deployment and development decisions. Our efforts are informed by workforce analytics and talent insights, and focus on reviewing skill group constructs, expanding role-based and modular learning, and accelerating reskilling across core and adjacent capabilities. This enables employees to adapt to changing role requirements while supporting responsible talent redeployment as business needs evolve.

Digital enablement and workforce analytics further enhance visibility into capability gaps, succession coverage and workforce productivity. Investments in human resource technology and capability planning tools support more informed, data-driven decisions, enhancing our ability to anticipate transition impacts and respond in a timely and responsible manner.

Advancing Sustainability Capabilities in Our People

Delivering our Energy Transition Strategy requires more than technical solutions and capital investment. It depends on the ability of our people to understand and apply sustainability considerations in their roles, decisions and leadership actions. As sustainability topics increasingly shape project design, operational practices, risk management and stakeholder engagement, PETRONAS continues to strengthen the knowledge, decision-making judgement and practical skills of employees across functions and levels.

In 2025, this was advanced through structured learning programmes, leadership development, academic collaboration and internal advocacy networks, delivering 34 sustainability-related programmes across 89 sessions throughout the year. Sustainability was further embedded into existing learning pathways, leadership curricula and workforce engagements, and integrated into business processes and systems so that it becomes part of how work is done across the organisation.

Fostering a Just Transition

Programmes	Description
Workforce Sustainability Learning	<ul style="list-style-type: none"> Targeted sustainability signature programmes benefitted 502 executives and specialists, enhancing competencies in decarbonisation, climate-related physical risk, nature-positive practices, just transition, human rights, and sustainability reporting and disclosure. Over 160 sustainability practitioners benefitted from external capability building programmes through executive education delivered by leading institutions, namely the Cambridge Institute for Sustainability Leadership, the Massachusetts Institute of Technology, Yale University, the Accounting for Sustainability Academy, and the World Business Council for Sustainable Development (WBCSD) Academy, as well as training on methane emission management delivered through the Oil and Gas Decarbonisation Charter.
Sustainability for Future Workforce	<ul style="list-style-type: none"> 420 students engaged through sustainability and Science, Technology, Engineering and Mathematics (STEM) initiatives with Yayasan PETRONAS, Universiti Teknologi PETRONAS and the ASEAN Green Skills Fair.
Sustainability Leadership	<ul style="list-style-type: none"> Sustainability-integrated leadership programmes, benefitting 1,321 executives, senior managers and general managers through enhanced understanding of sustainability leadership and decision-making. Six high-potential talents participated in the WBCSD Leadership, PETRONAS' Leadership Excellence Acceleration Programme (LEAP) and Young Professionals programmes, strengthening sustainability leadership. The programmes were delivered by Yale University, International Institute for Management Development (IMD) Business School, Esade Business School, National University of Singapore, Lancaster University Management School and Sunway University.
Sustainability Engagement	<ul style="list-style-type: none"> Quarterly engagements were arranged for approximately 200 PETRONAS Sustainability Network Change Agents on topics including just transition, change management, human rights due diligence and organisational sustainability transformation. Engagements with leaders from five trade unions enhanced knowledge on human rights and decarbonisation. Company-internal sustainability discourse was strengthened through engagements with sustainability experts and targeted upskilling for executives, specialists and practitioners, raising awareness on current topics.

Supporting Well-Being and Psychological Safety



Supporting Everyday Well-Being

Supporting everyday well-being goes beyond formal policies and programmes. It shows up in how leaders engage their teams, how people manage the balance between life at work and home, and how individuals respond to stress, uncertainty and change. In 2025, we focused on practical, accessible support that employees experience in their daily work, strengthening psychological safety, early support, flexible ways of working and social connection so people can stay healthy, engaged and are able to perform.

Focus Areas	Initiatives in 2025	Outcomes
Everyday Psychological Safety	The 'Honest, Open and Transparent (H.O.T.) Conversation' mechanism was introduced during the year as a framework to encourage open dialogue and two-way feedback between leaders and employees.	<ul style="list-style-type: none"> Employees utilise the H.O.T. Conversation mechanism on employee's performance management process with regular performance conversations and documented behavior feedback enabled through newly introduced features within the employee performance management system. Continuous engagement was conducted through open channels such as forourfuture@petronas.com workforce rightsizing microsite, townhalls and leadership engagement sessions.
Work-Life Integration	Flexible working arrangements and hours continued to be available to employees in suitable roles, such as non-shift positions, subject to business requirements, and applied in a fair and non-discriminatory manner.	<ul style="list-style-type: none"> Increased autonomy to manage work and personal responsibilities. As per our human resources guideline, flexible working arrangements and hours are applicable for all employees based on the nature of the job. For non-shift positions, the workforce comprises of 37 per cent female and 67 per cent male employees.
Mental Health, Early Support and Wellness Awareness	The Employee Assistance Programme was enhanced, integrating confidential counselling services covering a wider range of mental wellness topics, including sexual health and well-being with 24/7 access. Wellness awareness webinars were also delivered, including women-focused cancer awareness in conjunction with International Women's Day.	<ul style="list-style-type: none"> Provided counselling support to employees, with a total of 568 employees receiving mental health assistance.
Social Connection and Resilience	The PETRONAS Sports and Recreation Club continued to support employee wellness through sports and recreational activities.	<ul style="list-style-type: none"> Encouraged wellness and camaraderie through more than 200 events across Malaysia.
Stability During Organisational Change	<p>The CARE Enrichment Programme supported employee well-being and psychological safety during and after the workforce rightsizing exercise. Structured leadership engagements focusing on building emotional resilience, connection, trust and clarity were held to help them adapt to new organisational realities.</p> <p>Targeted employee support measures were implemented to address well-being considerations arising from work-related changes. For employees directly affected by the workforce rightsizing, the Next Chapter career transition programme included career coaching, job search assistance, emotional support services, a medical assistance programme, upskilling and reskilling programmes, as well as financial planning guidance.</p>	<ul style="list-style-type: none"> Reached more than 1,200 employees through engagement sessions, improving clarity during change while supporting staff in their career transition journey. Achieved 4.6/5 average stakeholder satisfaction, aligned with 97 per cent CARE Enrichment Day satisfaction, reflecting employees feeling safe, heard and supported with practical tools.

Fostering a Just Transition

Workforce Rightsizing Support

Changes in business priorities and future capability needs required workforce rightsizing in 2025 to sustain performance and competitiveness. PETRONAS enhanced the operating model and redesigned the organisation structures across various enabler functions, while launching efforts to simplify processes. As a result, a number of roles were impacted. In ensuring talent mapping and placement decisions are made fairly, objectively and systematically, PETRONAS established several platforms including Transition Councils and People Development Committees, involving Executive Leadership Team and business leaders.

To support affected employees manage change and prepare for their next steps, and as part of our commitment to their well-being, we provided comprehensive career transition programmes. These programmes covered a range of coaching, job search assistance, emotional support, upskilling and reskilling programmes as well as financial planning guidance support through partnerships with public agencies and job networking platforms.

Access to remedy remained available throughout the transition period. Employee grievance and feedback platforms continued to provide channels for raising concerns related to employment practices, benefits, treatment, notice periods and transition support, to ensure that execution pace did not compromise due process, transparency and respect for employee rights.

Workforce Support Measures

To support employees affected by this exercise, a comprehensive career transition programme was put in place. Every decision was made with fairness, respect and professionalism. PETRONAS remained deeply committed to the well-being of our employees, and ensured that those impacted were treated with compassion and respect.

Career Transition Services

Career Transition Services provided structured, time-bound support to employees during the transition which includes a fair and competitive separation package and Next Chapter, a support programme focused on clarity and employability.

Next-Step Readiness

One-on-one mentorship and coaching services to support career planning, including career advisory from the Social Security Organisation of Malaysia (*Pertubuhan Keselamatan Sosial*, PERKESO) to help prepare for job search and interviews, and access to Korn Ferry's personal coaching.

Job Search Enablement

Access to PERKESO's myFutureJobs job-search tool and a one-year subscription to LinkedIn Premium.

Career Transition Support

Access to financial, mental and emotional well-being support from PERKESO, including group counselling, psychosocial services, and allowances for job search, re-employment, reduced income and training. Support on exploring entrepreneurship opportunities is also provided through programmes from PETRONAS Innovative Garage (PING).

Note:

These are applicable to eligible employees in line with established policies and employment terms and conditions.

Monitoring Indicators

The observations below reflect how core protections, representation mechanisms and governance controls operated as workforce rightsizing was implemented in 2025.

Workforce

Workforce composition remained broadly consistent.

- In 2025, the Group recorded a workforce population of approximately **49,000**, reflecting a **6 per cent** reduction from 2024, primarily associated with organisational and portfolio adjustments.
- Workforce composition remained largely consistent with prior years across gender and nationality, with no disproportionate shifts observed.
 - **29 per cent** female and **71 per cent** male employees, comprising both shift and non-shift personnel.
 - **84 per cent** Malaysian and **12 per cent** non-Malaysian employees*.
- Age profile remained relatively stable, with **65 per cent** of employees aged above 35 and **35 per cent** aged 35 and below. The 35-and-above employee group saw a slight increase of **4 per cent**, mainly driven by prudent manning fulfilment based on business priorities and criticality of roles.

* Nationality disclosure is voluntary for EU-based employees under the EU General Data Protection Regulation. As such, 4 per cent of PETRONAS' EU-based workforce did not disclose nationality information, and is excluded from the breakdown above.

Freedom of Association

Freedom of association and collective representation mechanisms remained accessible.

- **23 per cent** of Malaysian employees were covered under collective bargaining arrangements.

Effectiveness of Family-related Protections During Transition

Family-related protections continued to operate as intended. Effectiveness is assessed based on sustained employment following parental leave and employees' ability to return to work.

- Post-parental leave return-to-work rates stood at:
 - **86 per cent** for women.
 - **99 per cent** for men.
- Retention rates of employees who took parental leave stood at:
 - **95 per cent** for women.
 - **89 per cent** for men.

Employee Sentiment and Engagement During Transition

Monitored employee sentiment during workforce rightsizing to assess clarity, confidence and well-being.

- A 'Transformation Pulse Survey' was conducted across all levels and business units, with an over **50 per cent** response-rate.
- Baseline scores exceeded **50** across 'clarity, confidence and care' dimensions, reflecting a solid foundation of alignment and confidence towards transition efforts.
- The highest score of **65** reflected the continued willingness to contribute to the organisation's future.



Scan the QR code to visit Sustainability Performance Data for detailed information.

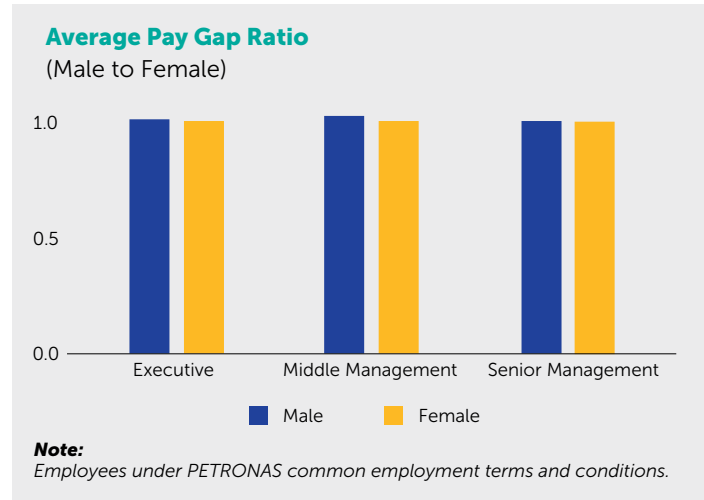
Fostering a Just Transition

Diversity and Inclusion

We promote an inclusive work environment where employees of different genders, nationalities, ages, abilities and backgrounds can contribute fully and fairly. Our Diversity and Inclusion statement is aligned with our Human Rights Policy and guides how we attract, develop and progress people with respect and dignity. We sustain a commitment to gender balance, multinational representation, age inclusivity, and the employment of persons with disabilities and neurodivergent talents.

Fair remuneration is grounded in the principle of equal pay for equal work, considering factors such as performance, experience and role scope. Differences in workforce representation across roles, levels and specialisations reflect broader talent pipelines and career progression patterns, which we continue to address through our inclusion and development efforts.

Building on this principle, the Group evaluates gender pay equity by comparing remuneration for women and men performing comparable roles at the same job level. Pay within each role level is managed on a gender-neutral basis. Where variations are observed, it is primarily attributed to time in role and role specific market premiums.



Scan the QR code to visit Sustainability Performance Data for detailed information.



HERizon, launched by the PETRONAS Leading Women Network in collaboration with PINTARA, is a mentorship initiative designed to empower women in technical fields and shape the future of leadership in the energy sector.

We continue strengthening our leadership pipeline through targeted initiatives such as the PLWN and others, which support leadership readiness through mentorship and development programmes, reinforced by inclusive talent and performance practices.

Practices across the employee life cycle emphasise consistent treatment and equitable access to opportunities. We strengthened accountability for diversity and inclusion by incorporating related performance measures into senior leadership performance metrics. Leadership capabilities are reinforced at key talent development and progression decision points through Conscious Inclusion immersion programmes, supported by ongoing communication and engagement via an internal diversity and inclusion microsite.

In line with our just transition priorities in the energy transition journey, we integrate diverse perspectives and needs into how we plan, support and prepare our workforce for evolving roles and capabilities.

Focus Areas	2025 Initiatives (Malaysia Operations)	Outcomes
Conscious Inclusion Programmes	Strengthen inclusive leadership awareness and capability through expanded training and awareness programmes, fostering deeper understanding of how to manage unconscious bias related to age, gender and diverse nationalities in the workplace.	<ul style="list-style-type: none"> Conducted close to 50 sessions, building capabilities among more than 80 leaders and equipping over 600 employees at middle managers, senior managers and top management leaders.
Empowering Women Talent to Thrive	Campaigns promoting women’s allyship were amplified through the International Women’s Day initiative, while the HERizon Core Mentorship supported the development of women in technical fields and strengthened pathways towards technical leadership.	<ul style="list-style-type: none"> Expanded allyship for a more inclusive workplace. Supported more than 30 women who completed HERizon Core Mentorship programme to progress in technical fields and leadership roles.
Enhancing Neuro-Inclusion Practices	Activated the Neurodiversity Resource Hub as an internal one-stop centre, providing resources and guidance on neurodiversity in the workplace. MindScape, a peer support community for neurodivergent employees, was also established, supported by webinars, engagement sessions and internal communications to raise awareness. Leadership conversations on neuro-inclusion and upskilling sessions were further conducted with various leadership teams and committees to strengthen understanding of neuro-inclusion.	<ul style="list-style-type: none"> Accelerated neurodiversity awareness and inclusive talents and leaders. Fostered a stronger sense of belonging and peer connection for neurodivergent talents.

We also contribute to broader inclusion practices beyond the organisation through participation in national platforms and industry forums. During the year, leaders were invited to participate in roundtables and working sessions with government agencies, industry associations and human capital networks, including Neurodiversity Chief Human Resources Officer Roundtable Series.

They were also invited as contributors to various programmes such as Human Resource Development Corporation, National Training Week, TalentCorp Life at Work conference and ASEAN Disability Forum. These engagements enabled the sharing of organisational experience, exchange of practices and alignment with evolving national workforce priorities, while supporting wider awareness of inclusive workplace approaches across the industry.

Fostering a Just Transition

Building Momentum for Neuro-Inclusion at PETRONAS

In 2025, the PETRONAS Neurodiversity Centre of Excellence (NCoE) focused on strengthening enterprise-level capability to support neurodivergent employees. Efforts progressed from individual case support towards improving leadership readiness, refining selected human resource processes and expanding awareness initiatives aligned with our people and sustainability priorities.

During the year, neurodivergent talents continued to contribute across their respective units, supported by their team and line managers. Additionally, structured internship placements were piloted and through the employee support group, MindScope, support was expanded to neurodivergent talents across the enterprise through peer-led engagements. Focused learning sessions were conducted to upskill leaders and line managers while inclusive workplace productivity tools and support were further promoted to enhance talent day-to-day effectiveness.

Beyond the organisation, we continued to contribute to industry and community dialogues through the Neurodiversity Chief Human Resources Officer Roundtable Series, bringing together more than 10 like-minded partner organisations to share practical sights and encourage cross-sector learning. These collective efforts culminated in the launch of a collaborative white paper with EY, titled 'Harnessing Neurodiversity': A Strategic Advantage to Foster Business Edge for Malaysia and Neurodiversity Action for Development, Inclusion and Network Empowerment (NADI&NE) at Energy Asia 2025, as the next step to sustain and scale up impact for Malaysia.

Overall, the NCoE strengthened the foundational capabilities to scale neurodiverse-inclusive practices in a structured and sustainable manner, with continued focus on lived experience and leadership development.



The launch of NADI&NE at Energy Asia 2025.

Sustainability Impact

Managing people through structural change while preparing new capabilities directly affects operational stability, employee confidence and long-term employability. The initiatives implemented during the year enabled us to adapt our workforce in a structured manner without disrupting performance or affecting workforce stability.

Workforce planning and rightsizing measures showed that change can be carried out with defined governance and support in ensuring that transition-related impacts on employees are responsibly managed. Redeployment pathways, reskilling opportunities and career transition assistance reduced uncertainty for affected employees while the organisation maintained access to required capabilities. Access to remedy remained available throughout the workforce transition including grievance mechanisms, collective representation and surveys that are tracked through defined indicators during the adjustment period.

Capability-building efforts improved readiness for emerging roles, particularly in lower-carbon and digital domains. Integration of sustainability and technical learning into mainstream development programmes enabled employees to apply environmental and socio-economic considerations in operational and project decisions rather than treating them as separate topics. These efforts will support consistent decision-making as energy transition considerations increasingly influence business activities.

2 Strengthening the Supply Chain

The energy transition can only succeed with the support of an evolving and thriving supply chain ecosystem. We recognise that small and medium enterprises (SMEs), which make up a significant portion of Malaysia's energy supply chain, require greater access to the right resources, capabilities and support to strengthen emissions management, enhance environmental performance and integrate human rights principles into their operations.

SC Sustainable Supply Chain

Why This Matters

As stakeholder expectations evolve and the energy transition accelerates, the global energy landscape is shifting towards procurement practices that require businesses to integrate broader environmental and social performance considerations into their operations.

In the Oil and Gas Services and Equipment (OGSE) sector, expectations such as carbon transparency, responsible supply chain practices and operational resilience increasingly influence supplier eligibility to participate in evolving, sustainability-driven value chains. Meeting these criteria may contribute towards strengthening market access and long-term viability. Global operators and customers are embedding sustainability requirements into procurement decisions, placing pressure on suppliers to demonstrate responsible practices and emissions management. In Malaysia, the OGSE ecosystem includes approximately 6,000 licensed and registered suppliers, predominantly SMEs that may require structured support to strengthen sustainability capabilities.

A just transition lens advocates for efforts that enable Malaysia's OGSE workforce to adapt to changing market expectations without disproportionate disruption, while strengthening equitable participation and safeguarding livelihoods.

Many of Malaysia's OGSE companies remain at an early stage of integrating sustainability into operations. Strengthening such practices across the OGSE supply chain will help improve suppliers' ability to participate in global value chains and support diversification into lower-carbon products and services.

Our Focus

We continue to advance Malaysia's OGSE ecosystem in line with evolving industry expectations. Acting as an ecosystem enabler, we support Malaysia's OGSE companies in developing sustainable and competitive capabilities through supplier development programmes, capability building and industry collaboration. A capable and competitive OGSE ecosystem supports energy security and enables execution of PETRONAS' strategy. Progress requires both PETRONAS and OGSE companies to advance together, each contributing through their respective roles and strengths. PETRONAS provides scale and demand visibility, while OGSE companies contribute specialised expertise and execution capabilities. Strengthening the ecosystem therefore remains a strategic business priority.

We require all suppliers to comply with the PETRONAS Code of Conduct and Business Ethics and the PETRONAS Contractors Code of Conduct on Human Rights. Environmental expectations are further embedded within health, safety and environment (HSE) requirements through contractual obligations aligned with applicable regulatory requirements across the contract life cycle.

The PETRONAS Sustainable Supply Chain microsite, publicly available on the PETRONAS website, articulates our position on key material topics that shape expectations across our supplier base: integrity, HSE, human rights and greenhouse gas (GHG) emissions. These areas define what we expect from suppliers in terms of responsible conduct, environmental stewardship and transparent reporting, and help create a shared understanding of sustainable business practices across the value chain.

Fostering a Just Transition

Our actions are guided by clear positions that align suppliers with PETRONAS Sustainable Supply Chain material topics.

PETRONAS Sustainable Supply Chain Material Topics



Our Approach

We integrate sustainability across our supply chain through a principles-based framework anchored in the PETRONAS Code of Conduct and Business Ethics and the PETRONAS Contractors Code of Conduct on Human Rights, with these requirements embedded into contractual and procurement processes.

These principles are applied across the supplier life cycle through human rights criteria screening, risk-based due diligence and contractual obligations with a focus on remediation and continuous improvement.

Beyond compliance, we support suppliers, particularly SMEs through capability-building, digital tools and sustainability-linked financing, strengthening resilience and long-term value creation while supporting Malaysia’s energy transition goals.

Sustainable Supply Chain Approach



Our Progress

In 2025, we built momentum in advancing our sustainable supply chain approach by strengthening supplier capability, improving disclosure readiness and widening access to financing. These efforts supported a clear shift from awareness to action, helping suppliers embed sustainability into day-to-day operations while strengthening delivery reliability, compliance readiness and business resilience.

PETRONAS Supplier Support Programme

The PETRONAS Supplier Support Programme equips our licensed and registered suppliers in Malaysia with tools and training on environmental, social and governance (ESG) practices to strengthen their sustainability management.

The programme is structured to ensure that cost does not become a barrier to participation. Suppliers join the PETRONAS Supplier Support Programme at no direct cost and gain access to structured training, practical tools and financing pathways without requiring upfront investment. This approach recognises the constraints faced by many SMEs in the OGSE ecosystem and ensures that sustainability expectations do not exclude smaller players from participating in the energy transition.

By lowering entry barriers, suppliers can build capability while maintaining operational continuity across our supply chain.

The PETRONAS Supplier Support Programme aims to improve delivery reliability, reduce disruption risk and prepare suppliers for Malaysia’s National Sustainability Reporting Framework (NSRF), the European Union’s Corporate Sustainability Due Diligence Directive and other sustainability-related requirements.

PETRONAS Supplier Support Programme offers:

Capacity Building

Structured training tailored to supplier maturity covering climate action, governance, human rights and responsible practices.

Disclosure Enablement

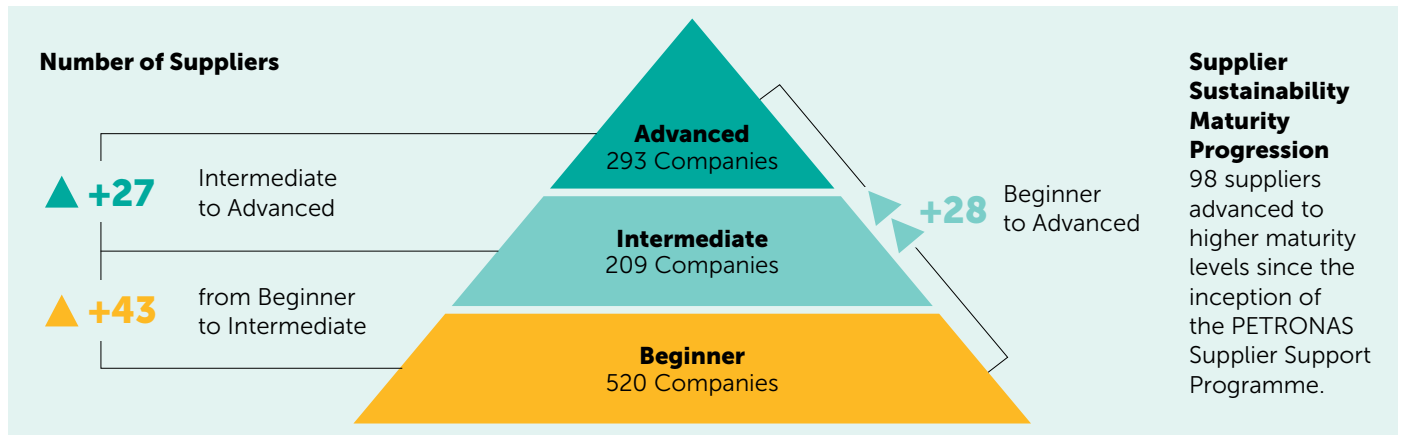
ESG and emissions data capture and reporting through the Centralised Sustainability Intelligence Platform.

Access to Financing

Sustainability-linked financing, including Bank Negara Malaysia’s Low Carbon Transition Facility and partnerships with financial institutions such as UOB Malaysia (RM1.0 billion pledge) and Bank Islam (IFIRST programme).

We deliver the programme in collaboration with partners, including Bursa Malaysia, the United Nations Global Compact Network Malaysia & Brunei and Bank Negara Malaysia.

Increased Supplier ESG Maturity and Awareness



1,022 companies registered since the inception of the PETRONAS Supplier Support Programme.

850 companies and **1,320** individuals attended training sessions.

95 per cent of participants reported improved sustainability knowledge.

55 cumulative engagement sessions (32 in 2025) across Kuala Lumpur, Terengganu, Johor, Sabah and Sarawak.

4.7/5 average satisfaction rating achieved from engagement sessions.

Positive Action towards Reporting

125 companies submitted their GHG emissions data through the Centralised Sustainability Intelligence Platform.

Accessibility to Funding

~RM1.0 billion sustainability-linked financing available through partner banks.

161 suppliers registered interest to apply.

Fostering a Just Transition

Since its inception in 2024, the PETRONAS Supplier Support Programme has accelerated suppliers' engagement and sustainability capability development. Participation in structured training and awareness programmes continues to grow, indicating stronger supplier commitment to integrating sustainable practices within their operations.

Key initiatives, including the ESG START Maturity Assessment and the PETRONAS Supplier Sustainability Hub, support suppliers in building a foundational understanding of sustainability requirements and improving ESG management and disclosure capability. Through the ESG START Maturity Assessment, suppliers are screened and segmented into beginner, intermediate and advanced maturity levels, enabling clearer visibility of capability gaps across the supply chain. The programme then provides targeted support, helping suppliers progressively strengthen their human rights practices and sustainability disclosures.

The PETRONAS Supplier Sustainability Hub is a customised e-learning platform featuring industry-specific modules, case studies, and self-assessment tools. As of 2025, 123 companies had registered on the platform. The Hub provides practical guidance to help suppliers understand their current practices, build capability and improve performance. Companies participating in programmes such as the PETRONAS Supplier Support Programme use the Hub to access training, track progress and adopt responsible practices.

Increased ESG disclosures, positive engagement feedback and growing interest in sustainability-linked financing demonstrate progress. While our commitment to NZCE by 2050 focuses on Scope 1 and Scope 2 emissions, the PETRONAS Supplier Support Programme plays an enabling role by preparing suppliers for responsible business practices including emissions management.

Our collaborative model was recognised on several international platforms. It was featured in the Business Action Bank under the Marrakech Partnership for Global Climate Action in collaboration with the World Business Council for Sustainable Development (WBCSD), included in the COP30 Presidency's Granary of Solutions and presented at a WBCSD side event during the 14th United Nations Forum on Business and Human Rights. This recognition reflects how national energy companies can partner with industry stakeholders to advance collective progress on ESG priorities.

Supplier Development, Innovation and Technology Programmes

We continue to strengthen the OGSE ecosystem through long-standing suppliers development and technology innovation programmes. These initiatives focus on building technical depth, strengthening commercial readiness and enabling local companies to compete in both domestic and international markets.

Vendor Development Programme

Established in 1993, the Vendor Development Programme nurtures Bumiputera suppliers, which are companies owned or led by ethnic Malays, Orang Asli, and Indigenous Peoples of Sabah and Sarawak, to become more resilient, sustainable and competitive. The programme strengthens technical capabilities, enhances commercial readiness, encourages the development of locally developed technologies and supports business growth beyond domestic markets. Through this approach, the programme contributes to stronger local supply chains and enables SMEs to be more competitive and participate more effectively in the OGSE ecosystem.

Progress

- Supported 173 suppliers since 1993.
- Continued focus on capability development, market access and long-term competitiveness.

OGSE Sector Talent Development

PETRONAS has established platforms and mechanisms that help shape an enabling environment for Malaysian OGSE companies to build sustainable competitive advantage. This is achieved through targeted industry programmes delivered in collaboration with government agencies, training institutions and industry partners, focused on developing technical competencies in priority trades while supporting a sustainable pipeline of skilled local talent for the energy sector.

Industry-Specific Program Latihan Madani

The Human Resources Development Corporation, in partnership with the Construction Industry Development Board and PETRONAS, provides targeted funding under *Program Latihan Madani* to support OGSE-specific upskilling programmes. Approved in July 2025, with suppliers onboarded and engagement sessions commencing in August 2025, this initiative equips local graduates with industry-relevant skills for the oil and gas sector, helping to address capability gaps in technical trades while improving employability and supporting a sustainable pipeline of skilled talent for the energy industry.

2025 Achievements

- 90 apprentices across Peninsular and East Malaysia were successfully upskilled.
- 16 suppliers onboarded and actively supporting programme delivery.

Access to Financing

Financing and Incentive Structures

We support supplier resilience and growth by widening access to financing across different stages of business maturity, scale and readiness. Our financing ecosystem ranges from working capital support to sustainability-linked and capital-market pathways. These mechanisms help suppliers strengthen their financial capacity, invest in capability development and pursue growth opportunities.

Vendor Financing Programme

Launched in 2018, the Vendor Financing Programme improves access to working capital and contract financing for PETRONAS and OGSE suppliers. By improving suppliers' access to financing and stabilising cash flow during project execution, the programme strengthens supplier resilience and supports reliable delivery across the OGSE supply chain.

2025 Achievements

- Facilitated RM2.3 billion in financing across 378 applications to date.
- Helped suppliers manage cash flow, deliver contracts and sustain operations.

Special OGSE Financing Programme

The Special OGSE Financing Programme, launched in September 2022, provides an alternative financing option for OGSE suppliers, complementing the Vendor Financing Programme and supporting healthier cash flow positions. By addressing financing gaps among SMEs, the programme supports business continuity and strengthens participation across the OGSE ecosystem.

2025 Achievements

- Facilitated RM94.3 million in financing for 53 applicants since September 2022.
- Supported delivery continuity among under-served SME suppliers.

Bumiputera Vendor Financing Programme

Launched in January 2025, the Bumiputera Vendor Financing Programme, a Bumiputera financing programme, in collaboration with TERAJU, strengthens access to financing for suppliers through two facilities:

- Bumiputera Expansion and Catalyst Fund
- Islamic Working Capital Project Financing

2025 Achievements

- Supported growth, market participation and project execution among PETRONAS and OGSE Bumiputera suppliers.

Through these facilities, the Bumiputera Vendor Financing Programme helps build stronger Bumiputera participation in the energy supply chain while enabling suppliers to scale operations and deliver projects more effectively.

Fostering a Just Transition

Sustainable Vendor Financing Programme

Launched in 2024 under the PETRONAS Supplier Support Programme, the Sustainable Vendor Financing Programme provides sustainability-linked financing to support suppliers, mostly SMEs, in improving environmental performance and greening business operations. The programme supports suppliers in investing in more efficient technologies, improving ESG practices and aligning with rising sustainability expectations across the energy supply chain.

2025 Achievements

- Formalised partnerships with UOB Malaysia, Bank Islam, Alliance Bank, RHB Bank and Malaysian Industrial Development Finance Berhad (MIDF).
- Secured an RM1.0 billion allocation from UOB Malaysia under this facility.
- Enabled suppliers to invest in greening their business operations through sustainability-linked financing.

Road to Bursa Programme

The Road to Bursa programme, introduced in May 2019, supports and facilitates local suppliers in strengthening corporate governance practices and preparing for a listing on Bursa Malaysia. Through structured coaching and capability development, the programme supports the growth of stronger and more transparent companies while enabling suppliers to access broader capital market opportunities to scale their businesses.

Progress to Date

- Coached 36 companies towards listing.
- Four companies successfully listed on Bursa Malaysia to date.

Strengthening Industry Relationship

We strengthen industry relationships by recognising supplier contribution and supporting local development. In 2025, we recognised more than 90 suppliers who were awarded major contracts, acknowledging their role in advancing regional industry capability, delivery performance and economic participation.

Sustainability Impact

Strengthening supplier capability, enabling more consistent sustainability disclosure and improving access to financing will contribute towards strengthening the resilience and reliability of PETRONAS.

Through the PETRONAS Supplier Support Programme and related supplier development initiatives, suppliers have been supported in gaining improved access to sustainability-linked financing, strengthened governance practices and enhanced readiness to meet rising regulatory and market expectations. These efforts contributed to indirect economic impacts, including improved access to financing, increased listing readiness and opening up opportunities for participation of Malaysia's OGSE companies in regional and global value chains as more suppliers became eligible for opportunities requiring specific sustainability disclosures and governance adherence.

On GHG emissions, the focus has been to promote suppliers to start disclosing their emissions performance and enabling them to prepare for sustainability reporting. This specific effort supports national priorities on industrial competitiveness and transition readiness, including alignment with Malaysia's National Energy Transition Roadmap (NETR), National OGSE Sustainability Roadmap and NSRF, by improving industry preparedness for sustainability requirements.

3 Supporting Community Resilience

We uphold our commitment to respecting human rights. We aim to foster inclusive community engagement, consult and collaborate with stakeholders to gain new perspectives and understand the aspirations of those who may be affected by our decisions. Our goal is to contribute positively towards societal and economic development in the areas where we operate.

In doing so, we help communities build resilience and become better equipped in adapting to the changes brought about by the energy transition.

Our social impact investment programmes are designed with this in mind and prioritise three areas of action, namely, PETRONAS Powering Knowledge®, PETRONAS Uplifting Lives® and PETRONAS Planting Tomorrow®.

Why This Matters

The evolving energy landscape, supply chain activities and the broader energy transition influence employment patterns, local enterprises, social cohesion and surrounding ecosystems. As economic and technological shifts reshape industries and livelihoods, it is increasingly important to strengthen the capacity of communities so that they can participate in and benefit from long-term development.

Such resilience reflects the strength of a community’s social and economic foundations. Access to education and skills, diversified income sources, and reliable basic services shape the ability of communities to adapt, participate, and benefit from evolving economic opportunities.

As Malaysia’s national oil and gas company, and a partner to host nations, our role extends beyond energy operations to supporting national development priorities for growth and energy security. By aligning these priorities with local needs, energy development can strengthen social and economic foundations while delivering inclusive outcomes in Malaysia and across our host countries.

We continue to work closely with communities and governments to support long-term economic and social development, while strengthening our focus on responsible planning, prioritisation and delivery of activities.

Our Approach

We deliver social impact through coordinated efforts across our business units and through Yayasan PETRONAS, our social impact arm in Malaysia. International social impact initiatives are delivered through our respective business units, to ensure programmes are tailored to local community needs and priorities.

We structure our social impact efforts around three priorities that reflect the foundations of strong and stable communities: skills that lead to employment, income diversification that strengthens household stability and ecosystem stewardship that supports responsible environmental management.

Delivery is implemented in partnership with government agencies, local institutions, industry partners and community organisations, supported by defined governance processes, funding oversight and performance tracking to ensure accountability and measurable outcomes.



Scan the QR code to visit Yayasan PETRONAS.

PETRONAS social impact is executed through three pillars: Powering Knowledge®, Uplifting Lives® and Planting Tomorrow®, each addressing a different dimension of social and environmental well-being.

PETRONAS Powering Knowledge®	PETRONAS Uplifting Lives®	PETRONAS Planting Tomorrow®
<p>Education</p> <p>Builds future-ready skills and capability.</p>	<p>Community Well-Being and Development</p> <p>Supports livelihoods and basic security.</p>	<p>Environment</p> <p>Strengthens climate awareness and ecosystem care.</p>
Our Action Areas		
<ul style="list-style-type: none"> • Access to Education. • Capacity Building. 	<ul style="list-style-type: none"> • Access to Basic Needs. • Social Entrepreneurship Development. 	<ul style="list-style-type: none"> • Biodiversity Conservation. • Environmental Education and Climate Risk Management.

Fostering a Just Transition

Our Progress

In 2025, we invested more than RM500.0 million across our social impact portfolio, reaching more than 2.5 million people worldwide through initiatives in education, community well-being and development, and environmental stewardship.

PETRONAS Powering Knowledge®

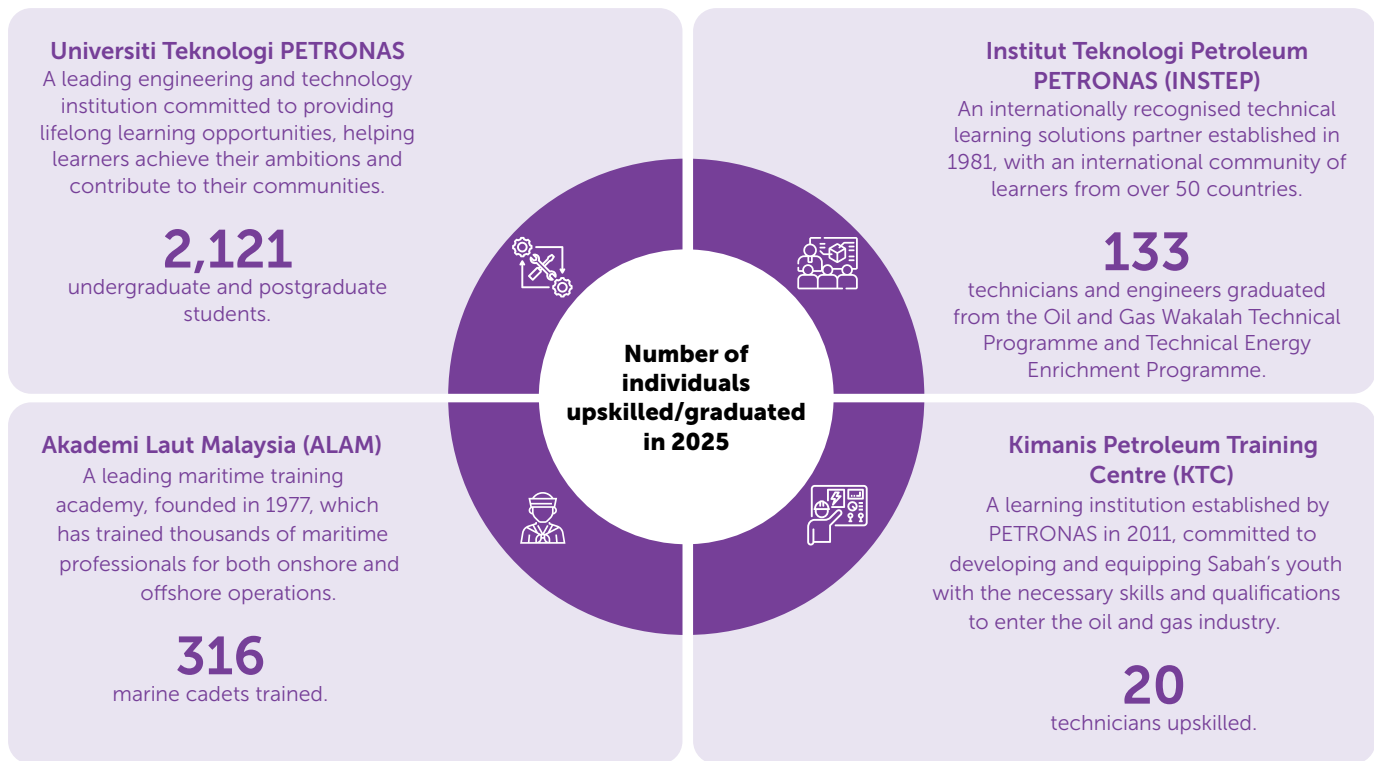
Powering Knowledge® builds on five decades of PETRONAS’ investment in education as a foundation for national capability development. This pillar enables access to quality education, nurtures the right talent and promotes continuous learning, with a focus on Science, Technology, Engineering and Mathematics (STEM), Technical and Vocational Education and Training (TVET), and sustainability. It links education to a future-ready workforce through sponsorships, learning institutions, vocational pathways, early-career development and outreach. In doing so, we help expand opportunities and strengthen employability across communities.

PETRONAS works closely with government bodies, including the Ministry of Education and the Ministry of Higher Education, as well as learning institutions and industry partners to strengthen the national talent pipeline. This includes collaboration with the Ministry of Education to identify underserved schools and enhance STEM learning through the MADANI School Adoption Programme.

2025 Impact

Students and early-career participants gained access to sponsored education, technical certification and structured workplace exposure during and after their academic studies, supporting a progression from academic learning to industry-relevant skills development.

- Total beneficiaries of education sponsorship/grants/bursary: **1,414** recipients.
- Total pre-employment programme beneficiaries: **3,107** recipients under the Graduate Employability Enhancement Scheme and PETRONAS Internship Programme.



Access to Education

Access to Education is one of the action areas under Powering Knowledge®. It reduces financial and structural barriers to learning for students. Through education sponsorships, grants and bursaries, students who might otherwise defer or discontinue education were able to progress to the next stage of their education.

In addition to awarding education sponsorships, we provide student support through targeted in-kind contributions and one-off assistance to schools and families. Support for special needs educators and parents has improved the availability of inclusive learning resources, while back-to-school aid for children from economically-vulnerable families has eased immediate household financial pressures at the start of the academic year. Upgrades to classrooms, student innovation centres and science laboratories have enhanced the functionality and quality of learning environments in selected schools in Malaysia and other countries of operation.

Capacity Building

Capacity Building is the second action area under Powering Knowledge®. It develops talent and capability through investments in learning institutions, early-career pathways and vocational development. These efforts equip people with practical skills for meaningful employment and support a just transition by preparing talent for the evolving energy and technology sectors.

We strengthen technical training, competency certification, and apply research and industry-aligned curricula across our education ecosystem. Early-career readiness advances through the PETRONAS Internship Programme and the Graduate Employability Enhancement Scheme, which provide students and graduates with hands-on workplace experience.

Outreach and signature programmes, such as Discover PETRONAS @School, Xplor VISTA i-plus and *Program Duta Guru*, or the Teacher Ambassador Programme, strengthen vocational competencies and teaching capabilities. These programmes enhance technical capability, provide early exposure to workplace norms and support the professional growth of educators, indirectly igniting students' interest in STEM.

Petrosains Tech4All

Petrosains Tech4All advances inclusive STEM education by addressing structural barriers faced by Indigenous communities, including Orang Asli and Peribumi communities. Through science and robotics learning, the programme equips teachers with practical methods to deliver engaging, hands-on STEM instruction within their schools. The initiative is implemented in collaboration with Malaysia's Ministry of Education and the Offshore Petroleum Industry Training Organisation (OPITO).

Participating students and educators gain structured exposure to applied robotics and problem-solving beyond standard curricula. Participation in national and international platforms reflect increased technical confidence and competitive readiness among Indigenous students.

2025 Progress

- Reached more than 700 Indigenous students nationwide.
- Over 80 teachers trained in robotics pedagogy and AI-supported instruction.
- Five indigenous teams represented Malaysia at the 27th International Robot Olympiad in Queensland, Australia and secured five awards.



Scan the QR code to know more about Program Duta Guru.

Fostering a Just Transition

PETRONAS Powering Knowledge® Education Sponsorship

Since 1975, we have been empowering deserving students through sponsorship opportunities under the PETRONAS Powering Knowledge® Education Sponsorship, formerly known as the PETRONAS Education Sponsorship Programme, enabling them to unlock their potential and drive the growth of the organisation and the nation.

In 2025, we awarded education sponsorships to 689 *Sijil Pelajaran Malaysia** 2024 secondary school leavers and undergraduates pursuing tertiary studies.

Recipients from diverse backgrounds are pursuing studies in disciplines critical to national and industry needs, including chemical engineering, petroleum engineering, economics and other relevant fields, at Universiti Teknologi PETRONAS as well as leading national and international institutions.

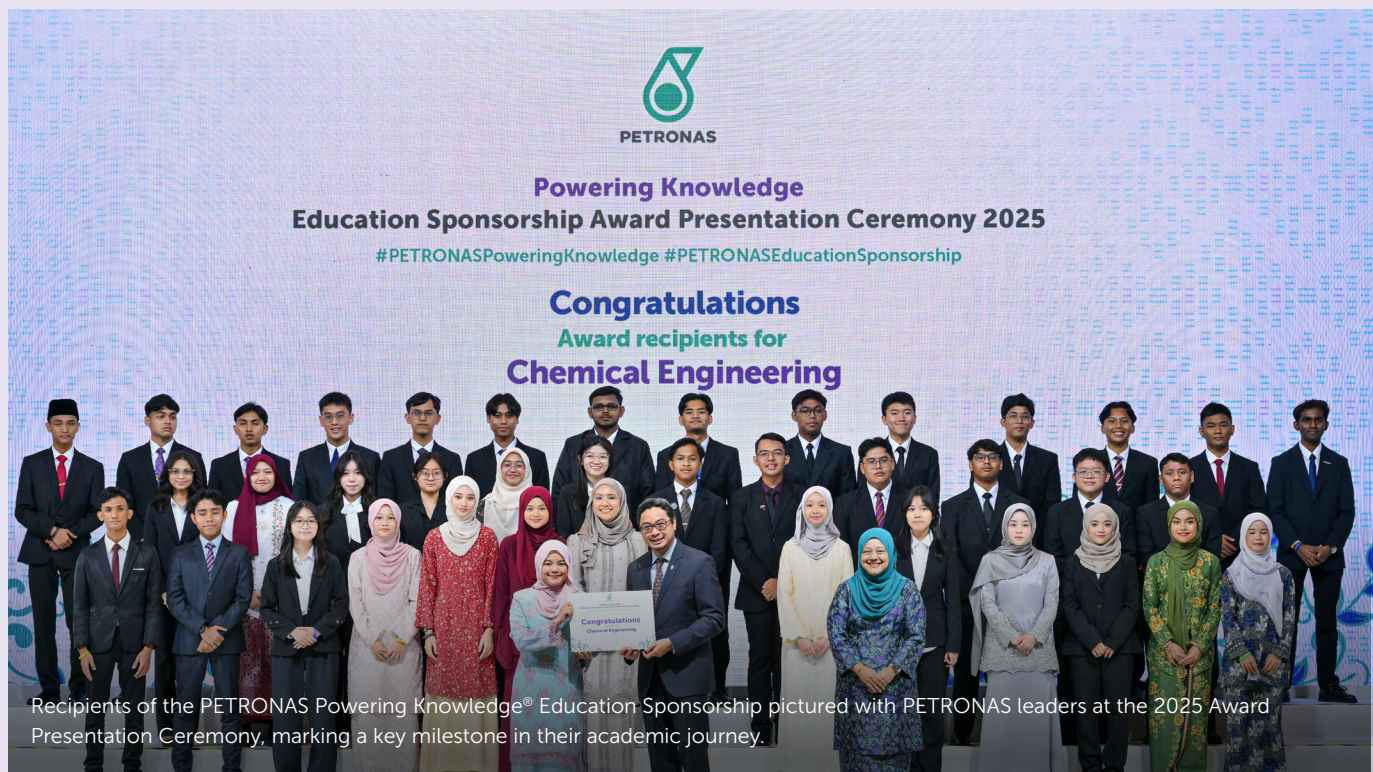
Under the International Education Sponsorship Programme, 20 students from Turkmenistan and Suriname commenced fully sponsored five-year degree programmes at Universiti Teknologi PETRONAS. These sponsorships were delivered in close coordination with Malaysia's Ministry of Education and Ministry of Higher Education.

* *Malaysian Certificate of Education.*

2025 Progress

- Total investment in 2025: RM210.5 million*.
- 689 sponsorships awarded to outstanding 2024 secondary school leavers and undergraduates.
- 20 international scholars awarded under International Education Sponsorship Programme.
- More than RM3.8 billion education sponsorship disbursed to date, with more than 40,000 scholars supported since 1975.
- 6,616 volunteering hours contributed by scholars.
- 18,775 additional beneficiaries reached through mentoring, teaching and educational outreach volunteering activities conducted by PETRONAS scholars, including direct in-person engagement.

* Total investment in 2025 relates to currently active students.



Recipients of the PETRONAS Powering Knowledge® Education Sponsorship pictured with PETRONAS leaders at the 2025 Award Presentation Ceremony, marking a key milestone in their academic journey.

Borneo Bestari

Borneo Bestari is a targeted sponsorship programme that addresses unequal starting points in learning by supporting high-potential students from under-resourced communities in Sabah and Sarawak. Recognising that merit-based competition may disadvantage students with limited academic exposure and support, the programme pairs academic potential with structured and sustained assistance.

Delivered in collaboration with Yayasan Sabah, Yayasan Sarawak and State Education Departments, Borneo Bestari identifies high-performing Form 1 and Form 5 students and places them in top schools in Sabah and Sarawak, including full boarding schools in Peninsular Malaysia. Students receive financial support alongside exposure to leadership engagement, development and motivational programmes.

2025 Progress

- From the inaugural graduates, 13 out of 29 Form Five students selected and mentored under Borneo Bestari successfully secured the PETRONAS Powering Knowledge® Education Sponsorship.
- 65 students awarded with sponsorships under the Borneo Bestari Programme.

Building Technical Capability at INSTEP

Institut Teknologi Petroleum PETRONAS (INSTEP) is our centre of excellence for technical capability development, providing industry-aligned training that bridges academic learning with real-world operational requirements across the energy value chain. INSTEP trains more than 1,000 talents annually.

During the year, INSTEP strengthened technical readiness by expanding access to certification pathways and embedding sustainability competencies into vocational curricula. Competency-based training, aligned with industry standards, enabled participants to gain recognised qualifications in high-demand disciplines.

PETRONAS Energy Transition Academy

Launched in 2025 and institutionalised within INSTEP, the PETRONAS Energy Transition Academy (P-ETA) introduced structured capability development in decarbonisation, renewable energy, sustainability and energy efficiency. Through strategic partnerships with the Sustainable Energy Development Authority (SEDA) Malaysia, the Energy Institute (UK), OPITO and academic institutions, P-ETA delivers internationally aligned programmes that integrate sustainability into core technical training. This expands the availability of energy transition-related skills within Malaysia and positions INSTEP as a regional platform for specialised capability development in Southeast Asia.

In a significant step towards supporting P-ETA, INSTEP and Universiti Malaysia Terengganu launched the Centre for Offshore Renewable Energy (CEFORE), one of the world's first integrated models of offshore renewable energy sources with energy storage and management systems in September 2025.

The proof-of-concept facility, located off the coast of Kuala Terengganu, Malaysia, aims to deliver renewable and reliable power by harnessing offshore wind, solar and wave energy. It also features on-site energy storage and energy management systems to enable a continuous supply. The innovative model marks a new milestone in powering Malaysia's journey towards a sustainable energy future, aligning with the NETR and the country's sustainability pursuits as the entities progress their low-carbon agendas.

CEFORE accelerates innovation and talent development while bridging real-world needs with cutting-edge solutions. Through INSTEP, PETRONAS and Universiti Malaysia Terengganu are advancing renewable energy capability development and technical programmes at CEFORE, nurturing future-ready talent for the energy transition.

2025 Progress

Delivered technical talent development through:

- Oil and Gas Wakalah Technical Programme
 - Enrolled 137 participants in collaboration with Yayasan Pendidikan MAIDAM, which supports asnaf (students from low-income households eligible for zakat assistance) through education assistance, tuition and living expenses from school to tertiary level education.
 - Provided training in 6G Welding, Scaffolding and Wireman, leading to industry-recognised certifications.
- Technical Energy Enrichment Programme (TEP)
 - Enrolled 43 students under the pre-employment sponsorship programme.
 - Graduated 73 technicians from the TEP Plus Upstream.
- Integrated sustainability and energy transition into technical curricula
 - Secured a RM68.2 million Human Resources Development Corporation (HRD Corp) grant to train 527 future workers by 2027.
- Strengthened international knowledge exchange
 - Hosted participants from 10 countries under the Malaysian Technical Cooperation Programme.
- Achieved industry recognition
 - Received the 2025 Brandon Hall Group Gold Award for Human Capital Management Excellence.

Fostering a Just Transition

VISTA i-plus

VISTA i-plus (Vocational Integrated Skilled Talent Advancement) is our enhanced flagship vocational training programme within Malaysia's TVET ecosystem, strengthened in 2025 to deepen industry collaboration and align more closely with workforce needs in the Oil and Gas Services and Equipment (OGSE) sector. The programme focuses on five areas: Governance, Industry Involvement, Quality, Funding and Branding, in alignment with the National TVET Policy 2030.

The programme adopts an industry-led model that brings together government bodies, learning institutions and industry players to co-develop curricula, strengthen training quality and align programmes with evolving workforce demand.

In 2025, PETRONAS formalised this approach through the establishment of the VISTA i-plus Advisory Council, comprising industry leaders and government agencies, including Construction Industry Development Board Malaysia, HRD Corp, Malaysia Petroleum Resources Corporation, Malaysian Oil, Gas and Energy Services Council, representatives of Petroleum Arrangement Contractors, and the Secretariat of Majlis TVET Negara. The Council aligns TVET initiatives with industry requirements and strengthens workforce readiness for a changing energy sector.

Impact Delivered

- Achieved a 92 per cent employability rate, with 182 out of 198 graduates securing professional roles within six months of completion.
- Secured 65 per cent industry participation, with 26 out of 40 partners contributing to trainee assessments, student engagement, programme promotion and employment opportunities.
- Optimised programme funding, with around 30 per cent of total costs supported through external industry contributions.
- Strengthened visibility with a dedicated programme identity, supported by four student engagement initiatives and participation in eight conferences and exhibitions.

Building on the legacy of the VISTA programme established in 1992, VISTA i-plus continues to expand its reach and impact, with more than 14,000 graduates, partnerships with 37 TVET institutions nationwide and cumulative investment exceeding RM90.0 million.

During the year, PETRONAS further strengthened industry collaboration through course sponsorships, structured training support and outreach initiatives such as Xplore VISTA i-plus, as well as participation in *Hari TVET Negara* and Energy Asia 2025 to promote TVET as a viable pathway into technical careers.

2025 Progress

- Expanded to 37 TVET institutions nationwide.
- Recorded cumulative investment exceeding RM90.0 million since VISTA i-plus was established in 1992.
- Invested RM3.7 million in 2025, benefitting 985 individuals.
- Established VISTA i-plus Advisory Council to lead the industry collaborative model, driving the initiatives under VISTA i-plus at the national level.

PETRONAS Uplifting Lives®

PETRONAS Uplifting Lives® focuses on strengthening community well-being and socio-economic stability. It prioritises access to basic needs and livelihood opportunities so communities can sustain daily living conditions, generate income and participate further in economic and social activities.

We engage closely with stakeholders, including local communities, vulnerable households, community organisations, local institutions and government partners, at both the federal and state levels to support targeted and responsive programme delivery. Our participation in *GLC Demi Rakyat dan Negara*, a network of Government-linked Companies and Government-linked Investment Companies dedicated to driving sustainable social impact for Malaysia, aligns efforts to maximise national social impact and coordinated support to vulnerable communities. Domestic engagement at the state level in areas with oil and gas activities, including through the Joint Coordination Committee in Sabah and Sarawak, and the Joint Working Committee in Terengganu, Malaysia, enables local stakeholders to raise priority issues and co-develop solutions.

Programmes under PETRONAS Uplifting Lives® are anchored to national and local development priorities and implemented in partnership with Federal and State Governments, which provide policy alignment, regulatory support and strategic guidance. These collaborations help identify priority communities, locations and programme focus areas to ensure initiatives respond to local needs and development priorities. Local institutions and non-governmental organisations (NGOs) support on-the-ground delivery, build capability and strengthen local enterprise ecosystems.

2025 Progress

- Total Beneficiaries: More than 100,000 individuals reached across Malaysia and international operating countries.

Asia

Malaysia, Indonesia, Brunei, China, Oman, Turkmenistan and Iraq

North America

Canada

South America

Brazil and Suriname

Europe

Spain and Poland

Africa

Gabon

- Beneficiaries Group: Underserved households (bottom 40 per cent income group in Malaysia), coastal communities (fishermen), women and youth, vulnerable children, senior citizens, persons with disabilities, rural and marginalised populations, as well as members of the broader public.

Access to Basic Needs

Access to Basic Needs focuses on improving conditions that affect daily living, health and safety. We prioritise clean water, sanitation, energy access and emergency support enabling households to meet essential needs, maintain productivity and manage periods of disruption.

Through targeted enhancement of facilities and relief programmes, underserved and off-grid communities gain access to essential services that improve safety, hygiene standards and overall living conditions. Energy access enabled longer productivity hours in affected households, supporting continuity in income-generating and educational activities.

Welfare assistance, including food aid and basic necessities, help ease short-term financial pressures among underserved households. Targeted healthcare support, including investments in medical research, facility improvements and essential equipment, enhances service capacity and improves access to care. These interventions address immediate service gaps and support more stable household conditions within communities.

Fostering a Just Transition

Social Entrepreneurship Development

Social Entrepreneurship Development enables communities to build sustainable livelihoods through enterprise. We strengthen entrepreneurial capability among youth and local communities enabling them to generate income, address local challenges and participate more actively in the economy.

Programmes blend business skills, mentoring, funding support and access to markets to equip aspiring entrepreneurs with practical skills in financial management, product development and operations. Supported ventures span areas such as education, sustainable agriculture, financial empowerment and health-related enterprises. These initiatives support the establishment and growth of income-generating activities and contribute to economic diversification within participating communities.

Solar Energy and Water Systems for Communities

Across Malaysia and selected international locations, PETRONAS supports rural electrification, clean water access and solar adoption at community and social institutions. These interventions improve access to reliable utilities in underserved and off-grid areas.

2025 Progress

- Over 60,000 residents reached.
- More than RM3.5 million invested.

By providing reliable energy supply and safe water systems, participating institutions reduced dependency on inconsistent sources and improved daily operating conditions. Reliable electricity extended productive and study hours for households, while gravity water and rainwater harvesting systems improved hygiene and reduced exposure to water-related risks. Solutions were designed to be practical, easy to operate and aligned with local conditions, ensuring that benefits are sustainable.

Selected locations:

Malaysia: Solar and water systems delivered to Orang Asli communities and welfare homes, including gravity water and rainwater harvesting, implemented with the Department of Orang Asli Development (JAKOA), state agencies and NGOs.

Indonesia: Rural electrification in Sokobanah District, Sampang, in collaboration with local government agencies.



Through a collaboration with Sampang Regency Government and the local community, a solar system was installed at the Sokobanah Subdistrict Office. The office can now maintain uninterrupted public services for communities across 12 villages and benefit from up to 17 per cent cost savings of the monthly electricity expenses.

MEKAR

Memperkasakan Kesejahteraan Rakyat (MEKAR) is a programme that equips micro-business owners with business acumen and market access, supporting them to grow sustainable enterprises. The programme provides advanced entrepreneurial training, including packaging and branding development, quality management and intellectual property registration to enhance product competitiveness and expand market reach. By strengthening skills and commercial knowledge, MEKAR helps improve the living standards and income streams of underserved communities, fostering more resilient local economies.

Cumulative Impact

345 entrepreneurs from East Coast Economic Region benefitted.

1,616 entrepreneurs from Northern Corridor Economic Region benefitted.

SEEd.Lab

Social Enterprise Education Lab (SEEd.Lab) nurtures early-stage social enterprises addressing social and environmental challenges across Malaysia. The programme provides structured incubation, mentorship and access to networks to strengthen social enterprise readiness and operational capability.

Since its launch in 2020, SEEd.Lab has completed three cohorts and onboarded Cohort 4 in November 2025. To date, the programme has supported early-stage social enterprises operating in areas including youth unemployment, education, healthcare, personal and financial security, agriculture and circular economy. These ventures address community-level challenges through a multi-sector approach that is scalable and impactful.

Cumulative Impact

- 14 social enterprises incubated.
- 186 social entrepreneurs supported.
- More than 37,000 individuals impacted through the social enterprise activities.

PETRONAS Planting Tomorrow®

PETRONAS Planting Tomorrow® is our environmental social impact pillar. It advances biodiversity conservation, environmental education and climate-related risk management in communities and ecosystems connected to our operations.

Community participation is central to programme delivery, with environmental education, recycling initiatives and biodiversity conservation activities designed to build awareness and encourage responsible environmental practices. Through active involvement, communities contribute to conservation efforts, adopt more sustainable behaviours and improve resource management at the local level. This participation supports measurable outcomes, including increased environmental awareness, strengthened ecosystem stewardship and reduced environmental impact.

We also engage closely with public institutions and industry partners. Governments and regulators benefit from stronger environmental data and collaborative platforms. Industry partners participate in circular and conservation-linked initiatives that reinforce responsible resource management.

2025 Progress

- More than 400,000 people engaged in sustainability education and awareness activities.
- More than 950,000 kg of waste collected globally.
 - 749,000 kg of used cooking oil recovered.
 - More than 200,000 kg of plastics, textiles, e-waste and other materials collected.



Community involved in used cooking oil upcycling.

Fostering a Just Transition

Biodiversity Conservation

Biodiversity Conservation under Planting Tomorrow® supports the protection, restoration and responsible management of ecosystems connected to our communities and operations. Our initiatives focus on Nature-based Solutions, including reforestation, mangrove rehabilitation and marine protection, linking environmental care with community participation.

Marine and coastal programmes support the protection of coastal and offshore ecosystems while reducing pressure on vulnerable habitats. These efforts also enhance natural capital assessment and strengthen conservation planning through improved data collection and monitoring.

Environmental Education and Climate Risk Management

Environmental Education and Climate Risk Management strengthens sustainability literacy and practical action among students, educators and communities. Programmes focus on responsible consumption, waste reduction and understanding of climate-related risks.

Learning programmes explore topics such as microplastics, the three Rs (reduce, reuse and recycle) and responsible consumption through outreach activities, exhibitions and education platforms. Action-based initiatives complement awareness efforts. Waste collection drives, competitions and community campaigns mobilise large-scale material and waste recovery. Circular activities convert used textiles and plastics into new products, while used cooking oil recycling enables responsible disposal and material recovery.

These efforts increase community participation in waste management and embed more responsible consumption practices in daily routines. Circular initiatives also create supplementary income opportunities for participating groups where applicable, particularly among underserved communities.

We support community-led preparedness through our Disaster Preparedness and Response Programme, helping communities better prepare for natural disasters, including floods.

In 2025, the programme focused on 20 villages across Malaysia in Kuala Lumpur, Selangor, Negeri Sembilan and Perak. Working with local stakeholders, we established state-based project groups and delivered awareness, training and knowledge-sharing activities. Communities gained practical skills and tools, including flood hazard mapping, to strengthen risk identification and response planning.

The Seagrass Mapping and Community-based Programme

The Seagrass Mapping and Community-based Programme, implemented in collaboration with Universiti Putra Malaysia (Peninsular Malaysia except Johor), Universiti Malaya (Johor) and Universiti Malaysia Sabah (Sabah and Labuan), completed its first phase by mapping more than 1,800 hectares of seagrass ecosystems across Malaysia in Negeri Sembilan, Melaka, Johor and Sabah.

The initiative also engaged local communities through communication, education and public awareness activities, introducing participants to species identification, habitat coverage assessment and biodiversity monitoring. These activities strengthen local knowledge and support ongoing monitoring and management of seagrass ecosystems.

Sustainability Education Outreach Programme

Be Green is one of our sustainability education and outreach programmes that promotes responsible waste management and sustainability practices among students and educators. Delivered in collaboration with the Ministry of Education and the District Education Offices, the programme combines environmental education modules with hands-on recycling activities to reinforce practical waste segregation, recovery and responsible consumption within schools.

2025 Progress

- More than 120,000 students reached nationwide.
- 132 schools participated.
- More than 200,000 kg of recyclables collected.

Coverall Upcycling

In collaboration with Kloth Woman Up, a social enterprise initiative by Kloth Circularity that empowers women from marginalised communities through textile upcycling, we repurposed our own used industrial coveralls into commercial products. The initiative extends textile life and reduces material waste. It also provides supplementary income and flexible work arrangements to women from marginalised backgrounds involved in producing the upcycled items.

Since its inception during the COVID-19 pandemic at the Teluk Panglima Garang upcycling station in Selangor, Malaysia, the partnership has produced nine product lines, including laptop sleeves, plush toys and multipurpose pouches, available at Petrosains and PETRONAS Shop retail outlets.

2025 Progress

- 289.15 kg of coveralls upcycled.

