

Material Topics

Material topics represent the sustainability-related matters that are most significant to PETRONAS' long-term value creation, as well as to the economic, environmental and social impacts of our activities. These topics guide the content of this Integrated Report and form the basis of our disclosures, ensuring alignment with the Group's strategic priorities, key risk considerations and stakeholder expectations.

We continue to strengthen our materiality assessment process in line with evolving sustainability reporting practices and regulatory developments, including the standards issued by the European Sustainability Reporting Standards (ESRS) and Malaysia's National Sustainability Reporting Framework (NSRF), which are aligned with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards.

Since 2022, we have applied a double materiality approach, assessing sustainability matters from both their potential impact on people and the environment, and their financial materiality. In 2025, we undertook a revalidation exercise to confirm the continued relevance of previously defined material topics, taking into account regulatory developments, stakeholder needs and the Group's strategic direction.

Our materiality assessment outlines the process used to identify, assess and confirm the sustainability-related matters most relevant to PETRONAS. Material topics are prioritised based on the significance of impacts and the magnitude of associated financial risks and opportunities, taking into account likelihood, severity and time horizon. Year-on-year trends are also considered to capture shifts in impact and financial exposure. The outcomes of the 2025 revalidation exercise were reviewed and approved in accordance with our internal governance process.



Sustainability Approach > **Material Topics** > **Description**

<p>Creating Sustainable Value through Responsible Governance</p>	<p>CDP Cyber Security and Data Protection</p>	<p>Cyber security and data protection play a critical role in safeguarding our operations and information assets as we continue to leverage digital solutions. Strong governance, robust systems and ongoing investments in advanced security measures protect data integrity and confidentiality, support business continuity and sustain stakeholder trust amid an evolving cyber-threat landscape.</p>
	<p>CG Corporate Governance</p>	<p>Corporate governance provides the foundation for effective oversight, accountability, transparency and performance across our organisation. Anchored in applicable laws and recognised governance principles, our framework supports sound decision-making and risk management, strengthening business resilience and enabling long-term sustainable value creation for investors and stakeholders.</p>
	<p>EC Economic Contribution</p>	<p>Our economic contribution reflects our commitment to driving long-term business growth and our role in generating economic value for the markets and communities in which we operate. Through our products and services, capital payouts, payments to governments, compensation to employees and suppliers, and contributions to social and environmental causes, we support inclusive development and shared value creation.</p>
	<p>EI Ethics and Integrity</p>	<p>PETRONAS maintains a firm stance against all forms of corruption and unethical conduct. This commitment extends across our value chain, encompassing directors, employees, partners, suppliers, contractors, intermediaries and other third parties. We promote responsible business practices and adherence to established policies, standards and guidelines. The PETRONAS Code of Conduct and Business Ethics, the PETRONAS Anti-Bribery and Corruption Policy and the PETRONAS Anti-Bribery and Corruption Manual provide the guiding principles that set expectations for ethical business conduct.</p>

Impact Materiality

We assess our actual and potential impacts on society and the environment arising from our operations and business relationships.

Financial Materiality

We assess the extent to which sustainability-related risks and opportunities could reasonably affect our financial position, performance or cash flows over the short-, medium- and long-term.

Outcomes of the 2025 Materiality Revalidation Exercise

Following our 2025 revalidation exercise, we refined our material topics to enhance clarity, reduce overlap and better reflect how sustainability-related matters are governed and managed across the Group. These refinements involved targeted consolidation and renaming of selected topics without introducing new material topics, and were designed to maintain continuity with prior years to enable comparability. As a result, the number of material topics reduced from 16 in 2024 to 14 in 2025, and the remaining topics were reaffirmed.

2024 Material Topic	2025 Material Topic	Nature of Change	Rationale
<ul style="list-style-type: none"> Climate Change GHG Emissions 	<ul style="list-style-type: none"> Climate Change and GHG Emissions 	Consolidation	Reflects integrated management of climate risks and emissions under PETRONAS Net Zero Carbon Emissions by 2050 Pathway.
<ul style="list-style-type: none"> Safety Management Health and Well-being 	<ul style="list-style-type: none"> Health and Safety 	Consolidation	Reflects integrated management of occupational safety, health and well-being.
<ul style="list-style-type: none"> Employee Attraction, Retention and Development 	<ul style="list-style-type: none"> Human Capital 	Renaming	Broadens the scope to reflect workforce management, talent retention and capability development.
<ul style="list-style-type: none"> Circular Economy 	<ul style="list-style-type: none"> Circular Economy and Resource Use 	Refinement	Clarifies our focus on resource efficiency, waste management and circular practices across operations.

Legend: Material More Material Most Material Increase In Impact No Changes In Impact Decrease In Impact

Significance	Trend Compared to 2024	Significance	Trend Compared to 2024	Our Response
Impact Materiality		Financial Materiality		
				Refer to pages 92 to 95.
				Refer to pages 185 to 205.
				Refer to pages 12 to 15.
				Refer to pages 185 to 205.

Material Topics

Sustainability Approach	Material Topics	Description
 <p>Creating Sustainable Value through Responsible Governance</p>	<p>HS Health and Safety</p>	<p>The safety, health and well-being of our employees, contractors and communities are fundamental to our operations. By cultivating a strong health and safety culture, implementing robust safety management practices, and providing health and wellness programmes, we aim to protect our people and communities, reduce operational risks, improve efficiency and promote a productive, healthy and engaged workforce.</p>
 <p>Delivering Net Zero</p>	<p>IT Innovation and Technology</p>	<p>Innovation and technology play a critical role in strengthening PETRONAS' resilience and long-term value in a rapidly evolving energy landscape. We promote innovation and adopt technology across our operations and services to improve efficiency, enhance customer and stakeholder satisfaction, and support the energy transition.</p>
 <p>Thriving with Nature</p>	<p>CGE Climate Change and GHG Emissions</p>	<p>Climate change and GHG emissions are key elements embedded in PETRONAS' long-term strategy and enterprise risk management. We assess and manage climate-related transition and physical risks, including evolving regulatory and market conditions as well as extreme weather that may affect our assets, operations and product demands. Through climate risk management and GHG emissions reduction efforts via four key abatement levers aligned with our Net Zero Carbon Emissions by 2050 commitment, we strengthen asset resilience, support operational continuity, manage regulatory exposure and help sustain stakeholder confidence.</p>
 <p>Fostering a Just Transition</p>	<p>LCT Lower-Carbon and Energy Transition Business</p>	<p>Lower-carbon and energy transition business activities enable PETRONAS to create long-term value by expanding into areas such as renewables and lower-carbon energy solutions. Guided by our Energy Transition Strategy, we invest selectively across new energy value chains to support emissions reduction, meet evolving stakeholder and customer expectations, and contribute to global climate goals, while maintaining financial discipline and resilience.</p>
 <p>Thriving with Nature</p>	<p>CER Circular Economy and Resource Use</p>	<p>Circular economy and resource use focus on optimising the use of materials and natural resources to maximise efficiency, retain value and minimise waste. By creating value through responsible resource management, reuse, recycling and value recovery, we respond better to regulation, enhance operational resilience and reinforce stakeholder confidence in our sustainability commitments.</p>
 <p>Thriving with Nature</p>	<p>EM Environmental Management</p>	<p>Effective environmental management addresses the environmental impacts of our operations while supporting sustainable resource use and emissions reduction. Internal standards and practices across water stewardship, waste and circular economy management, air emissions control and spill prevention enable us to manage environmental impacts, meet regulatory requirements and protect natural resources.</p>
 <p>Fostering a Just Transition</p>	<p>NB Nature and Biodiversity</p>	<p>Nature and biodiversity are integral to PETRONAS' long-term business resilience, asset integrity and social licence to operate. Guided by our policy position and strengthened capabilities, we are advancing nature and biodiversity management practices by addressing our impacts and dependencies, aligning climate action with biodiversity conservation and proactively managing nature-related risks to support sustainable value creation.</p>
 <p>Fostering a Just Transition</p>	<p>HC Human Capital</p>	<p>Our long-term performance and ability to operate safely, strengthen our core business and build new energy value chains are anchored in strong organisational and talent foundations, encompassing organisational effectiveness, the right mindset and culture, leadership capability and workforce readiness. Central to this is developing an agile, skilled and motivated workforce that can adapt to evolving business needs and support sustainable value creation across the organisation.</p>
 <p>Fostering a Just Transition</p>	<p>HR Human Rights</p>	<p>Human rights underpin PETRONAS' responsible business conduct across all the Group's activities and relationships. We are committed to respecting internationally recognised human rights, which are fundamental to ethical and sustainable business practices, fostering stakeholder trust and promoting fair labour practices. By identifying and addressing human rights risks through due diligence and ensuring access to remedy, we safeguard our social licence to operate and support sustainable value creation.</p>
 <p>Fostering a Just Transition</p>	<p>SC Sustainable Supply Chain</p>	<p>A sustainable supply chain is central to our risk management and long-term value creation across our operations. By advancing responsible sourcing and procurement practices, we aim to strengthen environmental, social and economic outcomes, support local suppliers where appropriate and enhance supply chain resilience. These efforts contribute to safer practices, more sustainable products, improved operational efficiency and positive socio-economic outcomes across the markets in which we operate.</p>

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	Significance Impact Materiality	Trend Compared to 2024	Significance Financial Materiality	Trend Compared to 2024	Our Response
					Refer to pages 87 to 91.
					Refer to pages 55 to 82.
					Refer to pages 97 to 113.
					Refer to pages 65 to 80.
					Refer to pages 121 to 124.
					Refer to pages 125 to 131.
					Refer to pages 115 to 120.
					Refer to pages 145 to 156.
					Refer to pages 133 to 144.
					Refer to pages 157 to 162.