



Policy Influence

PETRONAS Chemicals Group Berhad (PCG)

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The PETRONAS Group adopts zero tolerance against all forms of bribery and corruption. We abide by the PETRONAS Code of Conduct and Business Ethics (CoBE) & Anti-Bribery and Corruption (ABC) Manual, guided by our Shared Values and Statement of Purpose.

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Contribution and Spending Guideline

1. PCG is committed to good governance and strictly adheres to business ethics as an active member of relevant industry trade associations. Its primary objective in these engagements is to contribute to thought leadership within the petrochemical sector while maintaining impartiality and neutrality of influence.
2. PCG actively participates in relevant trade associations to support its business stakeholders while simultaneously upholding its environmental responsibilities.
3. PCG proactively addresses concerns related to plastic waste and petrochemicals by engaging in trade association activities that promote sustainable practices aimed at protecting both the environment and local communities.
4. Trade associations comprise representatives from the industry, providing PCG with valuable opportunities to leverage business solutions that address challenges faced by both the industry and society at large.
5. In accordance with our Corporate Governance policy, PCG does not provide any contributions or financial support to political campaigns, political organizations, lobbyists, or lobbying organizations.

The following is the top two issues that PCG contributed to industry associations

Issue or Topic	Corporate Position	Description of Position / Engagement
Addressing plastic waste pollution in Malaysia as part of the effort to combat climate change	Support	<p>Through trade association, PCG is addressing plastic waste pollution by supporting the establishment of advanced plastic recycling industry in Malaysia. The trade association submitted a White Paper to the government outlining the opportunities presented by plastic waste, strategies for improved management, and ways to harness its potential. This approach aims to reduce dependence on virgin plastic materials, thereby indirectly contributing to lower greenhouse gas emissions throughout the entire process.</p> <p>Besides contributing through its membership in the association, PCG actively provides input and feedback on the drafted proposal, drawing on its earlier development of the New Plastic Economy programme. This programme supports Malaysia's Circular Economy Roadmap, which is led by the Ministry of Environment and Water, aiming to advance sustainable plastic management and circularity in the country.</p>
Promotion of cleaner energy as part of the effort to combat climate change	Support	<p>Through its trade association, PCG is actively promoting the growth of the emerging cleaner energy market, particularly focusing on green methanol and renewable methanol as key sustainable fuel solutions.</p>

Contribution

Name of Organisation	Type of Organisation : Trade Association
Methanol Institute (MI)	<p>As the global trade association for the methanol industry, the Methanol Institute (MI) represents the world's leading methanol producers, distributors, and technology providers. MI's mission is to deliver cost-effective value to its members by: (1) protecting existing markets as its core function; (2) acting as the unified voice of the global methanol industry; and (3) promoting the growth of emerging energy markets. As a Tier 2 member of MI, PCG is entitled to appoint one voting representative to the Board, may serve as the Board Secretary, and has the ability to chair MI's standing committees.</p> <p>PCG's involvement in the Methanol Institute (MI) is exercised through its directorship, actively promoting gas-based methanol production via the MI representative office in Beijing. Through this presence, the association has supported and encouraged China's commitment to carbon neutrality—outlined in its plan to achieve carbon neutrality by 2060—which includes significant emphasis on gas-based methanol as part of the strategy.</p>

Contribution

Name of Organisation	Type of Organisation : Trade Association
International Fertilizer Association (IFA)	<p>The International Fertilizer Association (IFA), founded in 1927, is the only global fertilizer association with over 400 member companies across 70 countries. Nearly half (48%) of its membership is based in developing economies. IFA represents providers of plant nutrition solutions, including fertilizer producers, traders, distributors, industry associations, service providers, research organizations, and non-governmental organizations (NGOs). IFA's vision is to support productive and sustainable agricultural systems that contribute to a world free from hunger and malnutrition. Its mission is to promote the efficient and responsible production, distribution, and use of plant nutrients. The association facilitates collaboration and exchange among members, providing a structured platform to agree on common positions and coordinate joint actions.</p> <p>PCG's involvement focuses on sustainable fertilizer production, which enhances the company's energy efficiency and supports its CO₂ emission reduction targets. By adopting advanced technologies and best practices in fertilizer manufacturing, PCG contributes to more environmentally responsible agricultural inputs, aligning with global sustainability goals and helping to mitigate climate change impacts.</p>

Contribution

Name of Organisation	Type of Organisation : Trade Association
Malaysian Plastics Manufacturers Association (MPMA)	<p>The Malaysian Plastics Manufacturers Association (MPMA), established in 1967, is a progressive trade association that provides leadership and high-quality services to its members and the plastics industry in Malaysia. As the official voice of the Malaysian plastics sector, MPMA represents its members in government interactions and spearheads the industry's growth by offering platforms that help members enhance their global competitiveness. MPMA's current focus includes upgrading the technological capabilities of the plastics industry, particularly by providing advanced technical training in areas such as Industry 4.0. In all its activities, MPMA places strong emphasis on social responsibility toward the environment, promoting sustainable practices to protect the environment and communities. The association currently comprises about 750 members, representing approximately 60% of plastics manufacturers in Malaysia and accounting for 80% of the country's total plastic product output.</p> <p>PCG's involvement is through the development and distribution of the "Plastic, Sustainability & You" educational module, created in collaboration with Pusat STEM Negara under the Ministry of Education (MOE), the Malaysian Plastics Manufacturers Association (MPMA), and the Solid Waste Corporation (SWCorp). The module aims to equip teachers with accurate and comprehensive information on plastics and proper waste management, addressing critical issues such as global warming and marine litter. Designed for use in classroom teaching and co-curricular activities, the module includes interactive content and videos to engage students actively, inspiring them to make responsible environmental choices. Since its introduction, the module has been distributed to thousands of primary and secondary schools nationwide, contributing to the broader objective of fostering environmental awareness and sustainability education among Malaysian youth</p>

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