



Contribution and Spending

PETRONAS Chemicals Group Berhad (PCG)

Released Date
July 2021

© 2021 Petroliam Nasional Berhad (PETRONAS)

All rights reserved. No part of this document may be reproduced in any form possible, stored in a retrieval system, transmitted and/or disseminated in any form or by any means (digital, mechanical, hard copy, recording or otherwise) without the permission of the copyright owner.

Contribution and Spending Guideline

PCG is committed to good governance practices and adheres to business ethics as a member of industry relevant trade associations. Main objectives of involvement is to contribute towards thought leadership in the petrochemical industry while maintaining neutrality of influence.

PCG engages with relevant trade associations to contribute to its business stakeholders at the same time paying close attention to its responsibility towards the environment.

PCG addresses all concerns on plastic waste and petrochemicals by engaging in activities of these trade associations to promote sustainable practices for the protection of the environment & community.

Trade associations consist of representative from the industry, for which PCG leverages on business opportunities to resolve matters that concerns the industry and the society.

PCG did not make any contributions to and spending for political campaigns, political organisations, lobbyists or lobbying organisations, as defined in our Corporate Governance.

The followings are the top two issues that PCG contributed to industry associations

Issue or Topic	Corporate Position	Description of Position / Engagement
<p>Addressing plastic waste pollution in Malaysia as part of the effort to combat climate change</p>	<p>Support</p>	<p>Through trade association, PCG is addressing plastic waste pollution by supporting the establishment of advanced plastic recycling industry in Malaysia. The trade association presented to the government a White Paper that outlines underlying opportunities with plastic waste and how it can be better managed, potentials harnessed, and reducing reliance to virgin plastic materials, indirectly contributing to lower greenhouse gases emissions throughout the process.</p> <p>Aside from contributions via memberships to the association, PCG provides input and feedback for the drafted proposal, as PCG had earlier developed New Plastic Economy programme to support Malaysia's Circular Economy Roadmap spearheaded by the Ministry of Environment and Water.</p>
<p>Promotion of cleaner energy as part of the effort to combat climate change</p>	<p>Support</p>	<p>Through trade association, PCG is promoting growth of emerging cleaner energy market, which includes green methanol and renewable methanol.</p> <p>Through their local office, the association supported and encouraged China's move on Carbon Neutrality (which plan includes gas-based methanol) with commitment to achieve carbon neutrality by 2060.</p>

Contribution

Name of Organisation	Type of Organisation : Trade Association
Methanol Institute (MI)	<p>As the global trade association for the methanol industry, Methanol Institute (MI) represents the world's leading methanol producers, distributors, and technology providers. The mission of MI is to serve and provide cost-effective value to its membership by: (1) Protecting existing markets as is its core function; (2) Serving as the voice of the global methanol industry; and (3) Promoting the growth of emerging energy markets. As Tier 2 member of MI, PCG may appoint one voting representative to the Board; option to serve as Board Secretary or Treasurer; and ability to chair MI's standing committees.</p> <p>PCG's involvement in the MI is via its directorship to promote gas-based production through MI rep office in Beijing where the association supported & encouraged China's move on Carbon Neutrality (which plan includes gas-based methanol) with commitment to achieve carbon neutrality by 2060.</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 providing leadership & quality service to its members & the plastic industry. MPMA is the official voice of the Malaysian plastics industry, representing its members & the industry in Government interaction, spearheading the plastics industry's growth by providing platforms to assist members to be globally competitive. MPMA's current emphasis, inter alia, is to upgrade the technological level of the plastics industry by providing higher skills technical for members, in particular, on Industry 4.0. In all aspects of its activities, MPMA places special attention to its social responsibility towards the environment, by promoting sustainable practices for the protection of the environment & community. MPMA currently has about 750 members, representing about 60% of the plastics manufacturers in the country & account for 80% of the country's total production of plastic products.</p> <p>PCG's involvement in development of the module is made possible with the collaboration between PETRONAS Chemicals Group (PCG), Pusat STEM Negara under Ministry of Education (MOE), MPMA and Solid Waste Corporation (SWCorp). The objective of the module is to equip teachers with the right information on plastics, proper waste management in addressing issues such as global warming and marine litter.</p>

Contribution

Name of Organisation	Type of Organisation : Trade Association
International Fertilizer Association (IFA)	<p>The International Fertilizer Association (IFA) was founded in 1927 and is the only global fertiliser association with a membership of 480 companies in 68 countries. 45% of IFA's membership is based in developing economies. IFA Members represent 75-80% of global fertiliser production. IFA's Members include fertiliser producers, traders and distributors, as well as their associations, service providers to the industry, research organisations, and non-governmental organisations (NGOs). IFA's vision is, productive and sustainable agricultural systems contribute to a world free of hunger and malnutrition. Their mission is to promote the efficient and responsible production, distribution and use of plant nutrients. The association provide a framework for exchange and collaboration among its members on areas of common interest, and a structure for agreeing on common positions.</p> <p>PCG's involvement is in sustainable fertiliser production which increases PCG's energy efficiency and CO2 emission targets.</p>