



PETRONAS



ELEVATING GREATER AMBITIONS

INTEGRATED REPORT 2023
PETRONAS GAS BERHAD

198301006447 (101671-H)

BASIS OF THIS REPORT

INTEGRATED REPORTING APPROACH

PETRONAS Gas Berhad (PGB or the Group) adopts an Integrated Reporting Approach, seamlessly blending financial performance, business activities, and sustainability initiatives. Aligned with the Value Reporting Foundation's Framework, this approach ensures a comprehensive depiction of our operations and underscores our commitment to transparent communication and responsible corporate practices.

REGULATIONS COMPLIED

- Bursa Malaysia Main Market Listing Requirements
- Companies Act 2016
- Malaysian Code on Corporate Governance 2021
- Corporate Governance (4th Edition) issued by Bursa Malaysia
- Malaysian Financial Reporting Standards
- IFRS Accounting Standards

SCOPE AND BOUNDARY OF REPORTING

This report encompasses the core activities of the Group, detailing our business segments, subsidiaries, and joint venture operations. Its purpose is to fulfil the information needs of long-term investors. Additionally, we provide insights into how we generate value for other vital stakeholders, such as employees, customers, government agencies, authorities, suppliers, and communities.

This report covers the period from 1 January to 31 December 2023, unless otherwise stated.

RESTATEMENT OF INFORMATION

Certain data pertaining to our performance in 2021 and 2022 have been restated in this Report due to actions taken to standardise our basis for calculating the data in question or due to a revised interpretation of the relevant data requirements.

OUR GOVERNANCE & SUSTAINABILITY APPROACH

Our Ability to Create and Protect Value

Our governance and sustainability approach promotes strategic decision-making with short, medium and long-term outcomes to reconcile the interests of the Group and the society in our pursuit of sustainable value. Our governance framework supports the creation and protection of value in our activities which enables ethical and effective leadership, corporate citizenship and sustainable organisation. Similarly, our sustainability framework reflects our concerted efforts to promote long term value creation.

[Read more on Corporate Governance in our Governance & Financial Report.](#)

[Read more on Sustainability in our Sustainability Report.](#)



The interactive PDF allows you to access information easily, search for a specific item, view website or navigate between pages, sections and links.

NAVIGATION ICONS

OUR SIX CAPITALS:

- F** **Financial**
The pool of funds that is available to an organisation for use in the production of goods or the provision of services and obtained through financing, such as debt, equity or grants, or generated through operations or investments.
- N** **Nature**
All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organisation.
- A** **Asset**
Manufactured physical objects that are available to an organisation for use in the production of goods or the provision of services including buildings, equipment and infrastructure.
- I** **Intellectual**
Organisational, knowledge-based intangibles, including but not limited to intellectual property, such as patents, copyrights, software, rights, and licences.
- H** **Human**
People's competencies, capabilities and experience, and their motivations to innovate in alignment with an organisation's strategy.
- SR** **Social and Relationship**
The relationships within and between communities, groups of stakeholders and other networks, and the ability to share information to enhance individual and collective wellbeing.

KEY STAKEHOLDER GROUPS:

- Investors and Funding Institutions
- Customers
- Business Partners
- Suppliers and Vendors
- Employees and Unions
- Government Agencies and Authorities
- Communities
- Media

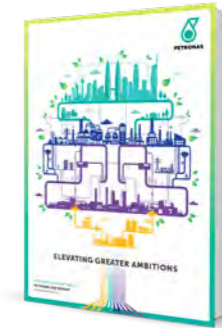
OUR STRATEGIC THRUSTS:

- OE** Operational Excellence
- CE** Commercial Excellence
- GR** Growth
- PC** People, Systems and Culture

MATERIAL MATTERS:

- Sustainable Value Creation
- Mitigating Climate Change
- Environmental Management
- Ensuring Water Security
- Biodiversity Impacts
- Occupational Health and Safety
- Talent Management
- Human Rights
- Supplier Social Impacts
- Equal Opportunity, Diversity and Inclusion
- Community Engagement
- Business Ethics and Transparency
- Cybersecurity and Data Privacy

INTEGRATED REPORT



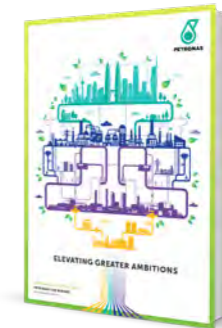
The Integrated Report stands as the paramount document for our stakeholders, eloquently presenting our distinctive value creation proposition and exemplary performance delivery.

GOVERNANCE & FINANCIAL REPORT



The Governance and Financial Report delineates our holistic strategy for safeguarding value in our operations, intricately coupled with a detailed account of our financial performance for the year.

SUSTAINABILITY REPORT



The Sustainability Report meticulously outlines our endeavours and steadfast commitment to fostering a sustainable business, strategically positioned for long-term success.

APPROVAL BY THE BOARD

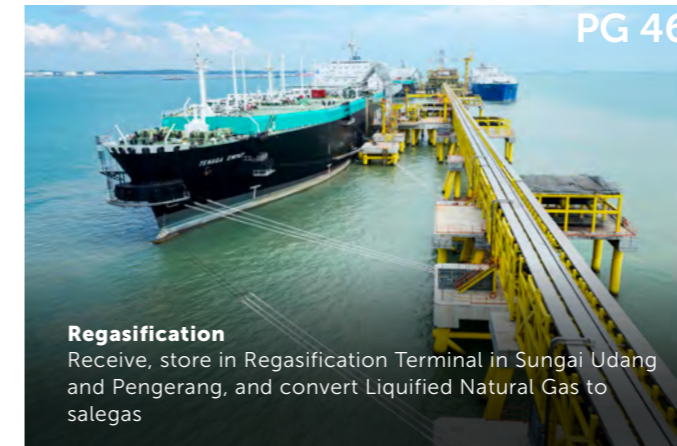
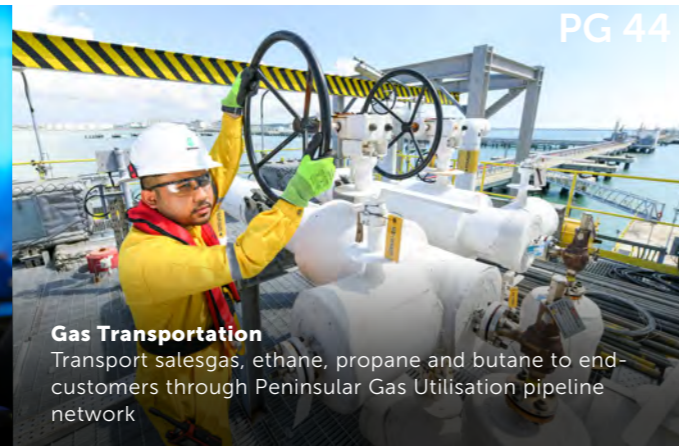
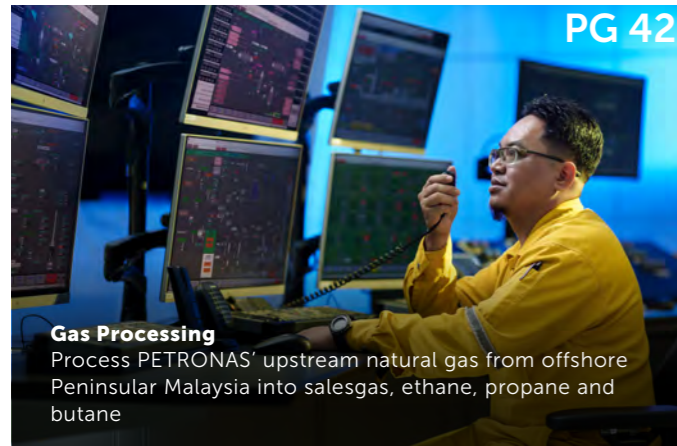
PGB Board of Directors (Board) recognises its duty to uphold the integrity of this Integrated Report. In the Board's assessment, the report comprehensively addresses all material issues pertinent to the Group's value creation and accurately reflects the integrated performance of PGB Group. Prepared in accordance with the Value Reporting Foundation's Integrated Reporting Framework, this report embodies our commitment to transparent and comprehensive reporting.

ADNAN ZAINOL ABIDIN
Chairman

ABDUL AZIZ OTHMAN
Managing Director/Chief Executive Officer

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INSIDE THIS REPORT



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HOW WE CREATE VALUE

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COMMITMENT TO STRONG GOVERNANCE

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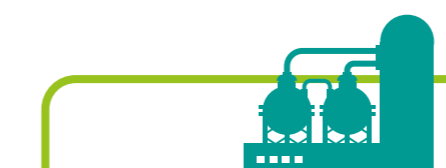
41st ANNUAL GENERAL MEETING OF PETRONAS GAS BERHAD

Tuesday,
23 April 2024

10.00 a.m.

Meeting Rooms 401 - 402,
Level 4, Kuala Lumpur Convention Centre,
Kuala Lumpur City Centre,
50088 Kuala Lumpur, Malaysia

Refer pages 124 to 127 for more information about our Annual General Meeting



2023 KEY HIGHLIGHTS

PGB's growth is propelled by its four core businesses, each playing a crucial role in driving expansion and enhancing operational efficiency. These segments - Gas Processing (GP), Gas Transportation (GT), Regasification (RGT), and Utilities (UT) - form the backbone of PGB's operations, ensuring a strong foundation for sustainable value creation. Looking ahead, PGB is poised to undertake a series of high-impact projects which represents the next phase of growth.



2023 KEY HIGHLIGHTS

SUSTAINABLE VALUE CREATION

COMMERCIAL

GPA Contract Renewal

- Successful revision of the Gas Processing Agreement (GPA) for the 3rd Term, ensuring that GP segment will be able to sustain its targeted profitability for the period.



GROWTH

Projects Completed in 2023

- GT has completed works on a 10 km gas pipeline to Banting, Selangor.
- UT has secured products delivery to PCC Oxyalkylates Malaysia Sdn. Bhd. in Kertih, Terengganu.
- 42 km lateral gas pipeline to Pulau Indah, Selangor is ready for gas-in.

Ongoing Projects

- New gas compressor in Kluang, Johor is scheduled to commence operations in early 2025.
- A 52 MW power plant in Sipitang, Sabah is expected to be commissioned in 2026.

Projects that achieved Final Investment Decision in 2023

- Liquefied Natural Gas (LNG) Storage Expansion – Growing our future LNG storage capacity with the set-up of a new Floating Storage Unit at Pengerang, Johor.
- Cold Energy Utilisation – Installation of an Air Separation Unit (ASU) at Pengerang, Johor to explore step out opportunities in cold energy utilisation.



2023 KEY HIGHLIGHTS

2023 KEY HIGHLIGHTS

POSITIVE SOCIAL IMPACT



Developing Talents



We have continued our sponsorship through Technical Energy Enrichment programme with additional 8 students bringing a total of 50 graduates being offered positions in the company to sustain our operational excellence.



We have developed prioritised training matrix, a 6-year structured training programme for fresh graduates in technical area to accelerate their capabilities upon joining the organisation.



LinkedIn Learning and Ted@Work were introduced as part of digital learning platform adding more than 20,000 modules on top of the existing modules on myLearningX.



We have implemented PETRONAS Mind-A-Care Ambassador programme for 50 PGB targeted leaders to enhance awareness on mental health. In addition, PGB also provides professional support to affected employees via Employee Assistance Programme.

DIGITAL INITIATIVES

Key Accomplishments



Enterprise 5G Deployment

PGB achieved milestone with 5G network adoption at Regasification Terminal Sungai Udang (RGTSU), enhancing operational efficiency, reducing carbon footprint, and bolstering safety across assets and personnel.



Automated Unmanned Aircraft System (UAS)

Implementation of Distributed Acoustic System has been completed for 13 locations which enable precise Global Positioning System coordination, that detect encroachment and provide deterrent measures. The UAS with Beyond Visual Line of Sight able to operate without means of human vision.



Gas Transmission Optimisation

PETRONAS Gas Control Centre has integrated machine learning model into its Peninsular Gas Utilisation (PGU) that acts as an advisory dashboard that allows users to run compressors at optimised mode. This project won the Malaysia Technology Excellence Awards 2023 under the Artificial Intelligence category.

RESPONSIBLE GOVERNANCE



PwC Building Trust Awards 2023

- PGB is proud to be one of the public listed companies representing the winning requirements in the recent PwC Malaysia's Building Trust Award 2023 awarded to PETRONAS. This is a testament that PGB is recognised for its efforts in capability, transparency and responsibility. Unlike traditional awards, submissions and nominations are not accepted, making this recognition even more credible.
- Our comprehensive publication on Environmental, Social and Governance (ESG) information contributed to an improved FTSE4Good Rating of 4.1, surpassing our target of 4.0 by 2025.

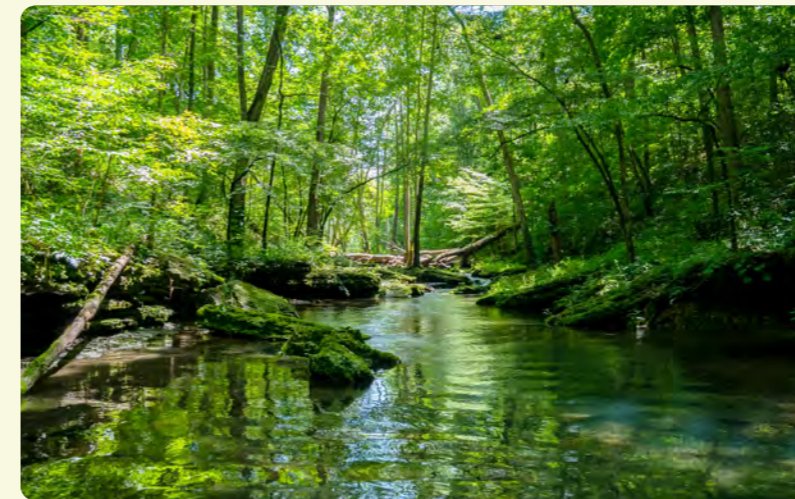


SAFEGUARD THE ENVIRONMENT



We have advanced our practices in waste reduction and resource optimisation across the 4R principles of Recover, Recycle, Reuse and Reduce. In 2023, we successfully increased our proportion of waste recycled to 74% from 64% in 2022.

Our total savings through 4R activities tripled from RM1.9 million in 2022 to RM5.9 million over the past twelve months.



4R Cost Savings (million)

RM5.9

2022: 1.9
2021: 0.7



Waste Recycled (%)

74

2022: 64
2021: 57



PERFORMANCE SCORECARD

HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

PGB recorded one LTI and one Major LOPC incidents during the year.

Major HSSE Incident	Unit of Measurement	Description	2021	2022	2023	YoY Trend
Fatality	Number of incidents	Total number of reportable fatalities (staff, contractor and third party)	0	1	0	↓
LTI	Number of incidents	An injury is assessed to be an LTI when the injured person cannot return for duty during next shift or next day	1	1	1	↔
Major LOPC	Number of incidents	Total number of LOPC related to process safety incidents with the greatest consequences	1	0	1	↑
Major Fire	Number of incidents	Total number of fire or explosion resulting in the greatest consequences	0	0	0	↔

Note
LTI - Lost Time Injury LOPC - Lost of Primary Containment

Legends
↑ Increased ↓ Decreased ↔ Remain the same



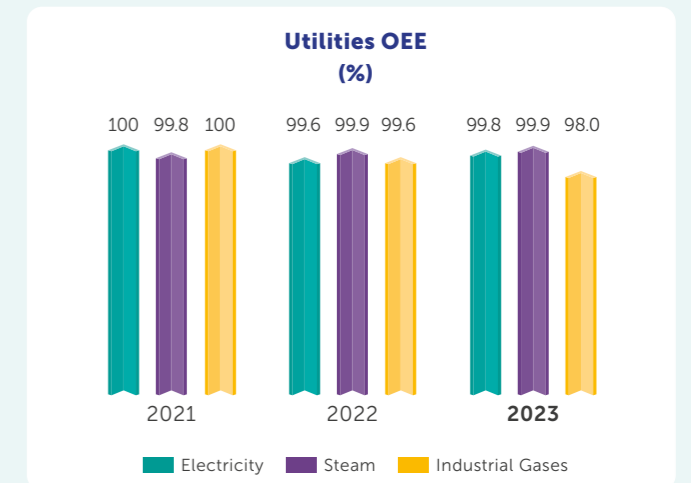
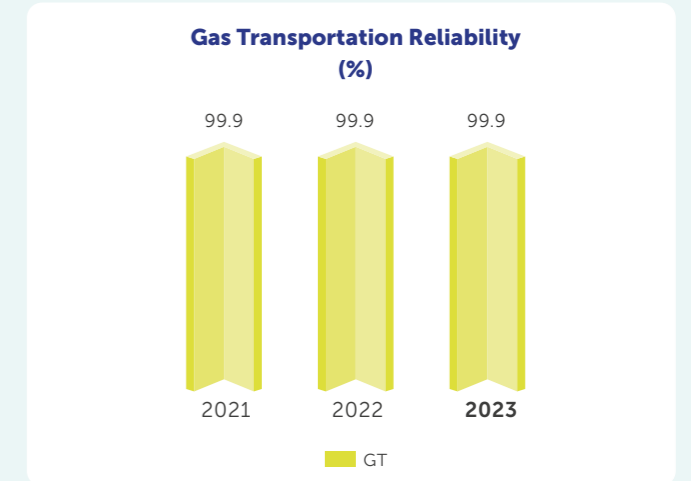
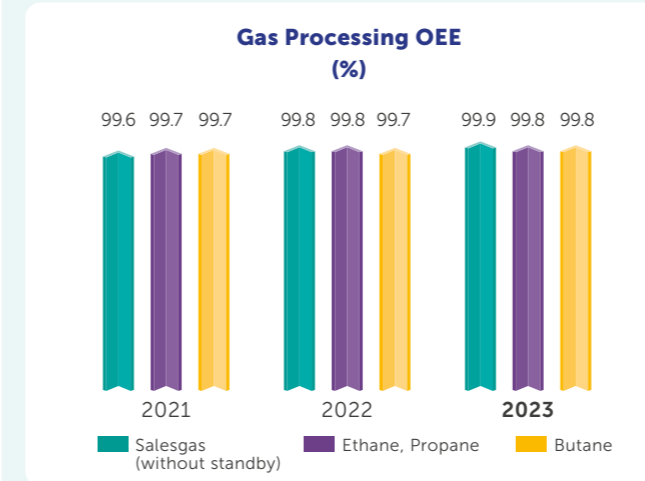
PERFORMANCE SCORECARD

OPERATIONS

We sustained world class OEE for Gas Processing which translating into 100% salesgas and ethane PDR to customers.

PDR (%)*	2021	2022	2023
Salesgas	100	100	100
Ethane	99.9	99.9	100
Electricity	100	100	99.99
Steam	100	100	99.97
Industrial Gases	100	99.8	98.55

Note
* Product delivered as per customers' nomination
OEE - Overall Equipment Effectiveness PDR - Product Delivery Reliability



PERFORMANCE SCORECARD

HUMAN CAPITAL

The Group has a structured capability development framework and processes that cater for both technical and non-technical group of employees; covering from non-executive up to senior management level.

Talent Capability Development

Achieved 88% of Technical Specialist qualified Leaders to ensure competent employees with leadership qualities to operate plants in a safe and efficient manner, which in turn improves productivity.

Implemented structured capability development framework for junior staff focused on enhancing technical, HSSE, functional and leadership skills for the first 6 years of their journey in the company.

Provided opportunity to 77 students via internship with investment of RM287,750 and placements to 108 graduates via Graduate Employability Enhancement Scheme (GEES) for working environment exposure and fresh graduates' employability.

Achieved **88%** of Technical Specialist qualified Leaders

Provided opportunity to **77** interns and **108** GEES



Leadership Development

Implemented Leadership and Conditioning framework focused on developing future leaders where 276 staff have been enrolled and completed 16 leadership programmes towards creating pool of leaders to strengthen our succession plans.

In our efforts to uphold integrity and ZERO corruption, a total of 152 leaders have been trained via Industrial Relations (IR) for Leaders programme focusing on Code of Conduct & Business Ethics and Anti-Bribery & Corruption.

276 staff have been enrolled and completed **16** leadership programmes

152 leaders have been trained via IR for Leaders programme

Virtual and Digital Learning Experience

LinkedIn Learning and Ted@Work were introduced as part of digital learning platform that offers on-the-go experience with short burst of contents comprises of leadership, interpersonal and self-motivation modules.



Category	2021	2022	2023
Total Employees	1,671	1,763	1,821
Employee Cost (RM million)	372.6	416.8	493.4
Training Mandays per Employee (Days)	15.6	8.2	13.1
Training Investment per Employee (RM thousand)	1.8	5.1	7.4

PERFORMANCE SCORECARD

DIGITAL INITIATIVES

We persist in integrating digitalisation comprehensively across our business. We are strategically implementing digitalisation in PBG's operations to enhance operational efficiency, stimulate innovation, and cultivate enduring value for all our stakeholders.

Key Accomplishments

Enterprise 5G Deployment

RGTSU is the first asset to adopt 5G private network for enterprise in PETRONAS, subsequently followed by GPU. Through the implementation of the 5G private network, we have been able to execute digital initiatives seamlessly on faster data transmission with lower latency and high availability of communication. It is also a giant leap forward in driving efficiencies in our operations, which leads back to carbon footprint reduction, and at the same time, enhance the safety of our people, the environment and our assets.



Automated Unmanned Aircraft System (UAS)

Distributed Acoustic System (DAS) functions to generate Global Positioning System coordinate for on-call personnel to take action, with the effectiveness of the action depends on distance, location, and time. UAS complements DAS by performing deterrent mission if there is encroachment activity detected by DAS within the Right-of-Way. UAS with Beyond Visual Line of Sight Operation (BVLOS) is able to be implemented without means of human vision mitigation. The installation has been completed with Civil Aviation Authority Malaysia Special UAS Project approval for all 13 locations.



Gas Transmission Optimisation

PETRONAS Gas Control Centre has adopted machine learning model in its PGU system that can act as an advisory dashboard for users to run compressors in optimised mode. This came about after the company assessed that lower energy consumption could be achieved if the load is shifted towards the compressor station with higher efficiency. This initiative has optimise fuel gas consumption, leverage user tacit knowledge of the PGU system, and provide data-driven decision-making. The project won Malaysia Technology Excellence Awards 2023 under Artificial Intelligence Category.



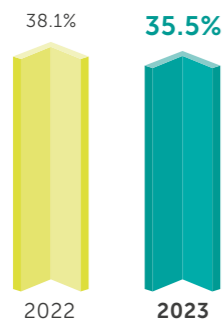
PERFORMANCE SCORECARD

PERFORMANCE SCORECARD

FINANCIAL

GROSS PROFIT MARGIN

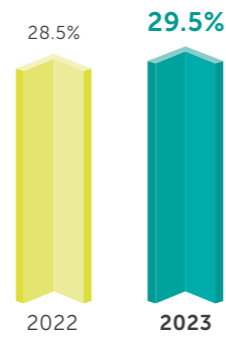
Ratio of gross profit to revenue and is a profitability indicator.



Lower contribution from Regasification and Gas Processing segments due to higher operating expenses, compounded with lower regasification tariff under Regulatory Period 2.

NET PROFIT MARGIN

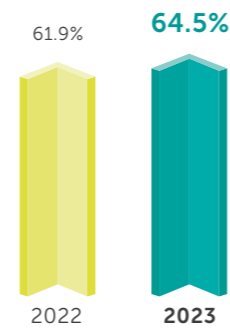
Ratio of net profit after tax to revenue and is a profitability indicator.



Higher on the back of higher share of profit from joint venture companies, lower financing costs and lower impact from unfavourable foreign exchange movement.

COST TO INCOME

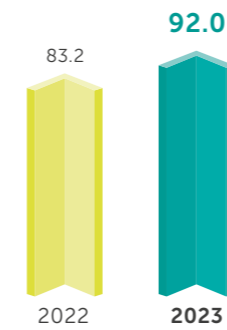
Cost of revenue divided by revenue.



Higher in line with higher operating expenses.

EARNINGS PER SHARE

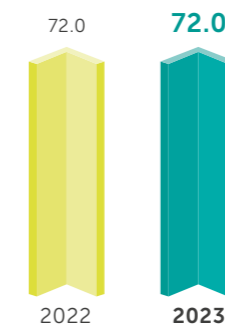
Portion of the company's distributable income allocated to each equity share.



Higher in line with higher profit attributable to shareholders of the Company.

DIVIDENDS PER SHARE

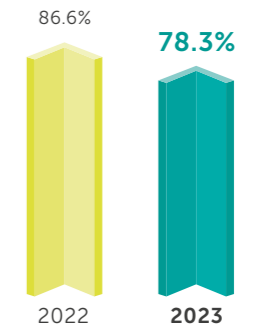
Dividends declared for the shareholders divided by the number of ordinary shares issued.



Comparable to 2022.

DIVIDEND PAYOUT RATIO

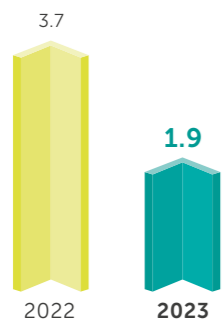
Percentage of earnings paid to shareholders in dividend.



Lower attributed to higher profit attributable to shareholders of the Company.

CURRENT RATIO

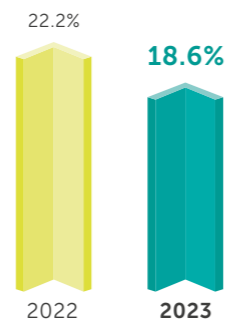
Ratio of current assets to current liabilities and is a measure of liquidity.



Lower due to lower cash balances, coupled with higher borrowing balances.

GEARING RATIO

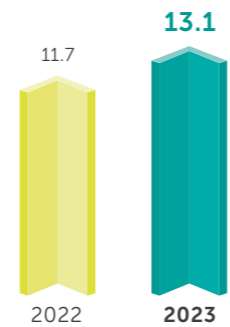
Ratio of borrowings to total capital and is a measure of financial leverage.



Lower following early settlement of USD lease liability for floating storage at LNG Regasification Terminal in Sg. Udang, Melaka.

INTEREST COVER RATIO

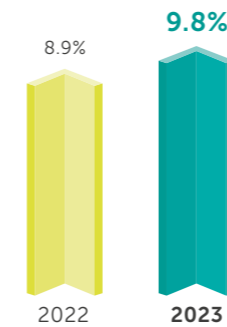
Ratio of Earnings Before Interest and Taxes to financing costs (inclusive of capitalised financing costs).



Higher in line with lower financing costs and lower operating profit.

RETURN ON ASSET

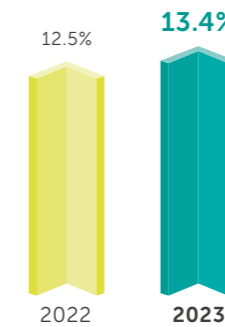
Ratio of net income to total assets and is a profitability indicator.



Higher in line with higher net profit after tax, coupled with lower total assets.

RETURN ON EQUITY

Profit attributable to shareholders divided by the average shareholders' equity for the financial year.



Higher in tandem with higher profit attributable to shareholders of the Company.



WHO WE ARE

▶ Malaysia's Leading Gas Infrastructure and Centralised Utilities company and one of the largest companies on the local exchange in terms of market capitalisation, with core businesses in Gas Processing, Gas Transportation, Regasification and Utilities

STATEMENT OF PURPOSE

A Progressive Energy and Solutions Partner Enriching Lives for a Sustainable Future

SHARED VALUES



Loyalty



Integrity



Professionalism



Cohesiveness



HOW WE DIFFERENTIATE OURSELVES



Our Profitable and Balanced Business Portfolio



Our Integrated Gas Infrastructure and Utilities Facilities



Our Operational Excellence and Reliable Product Delivery at Competitive Cost



Our High-Performing People

PETRONAS CULTURAL BELIEFS



Customer Focused

I deliver solutions from the customer lens



Innovate Now

I challenge norms and push boundaries



Be Enterprising

I seek opportunities and make them happen



Speak Up

I express my views openly



Courage to Act

I take action to progress with pace

APPROACH TO SUSTAINABILITY

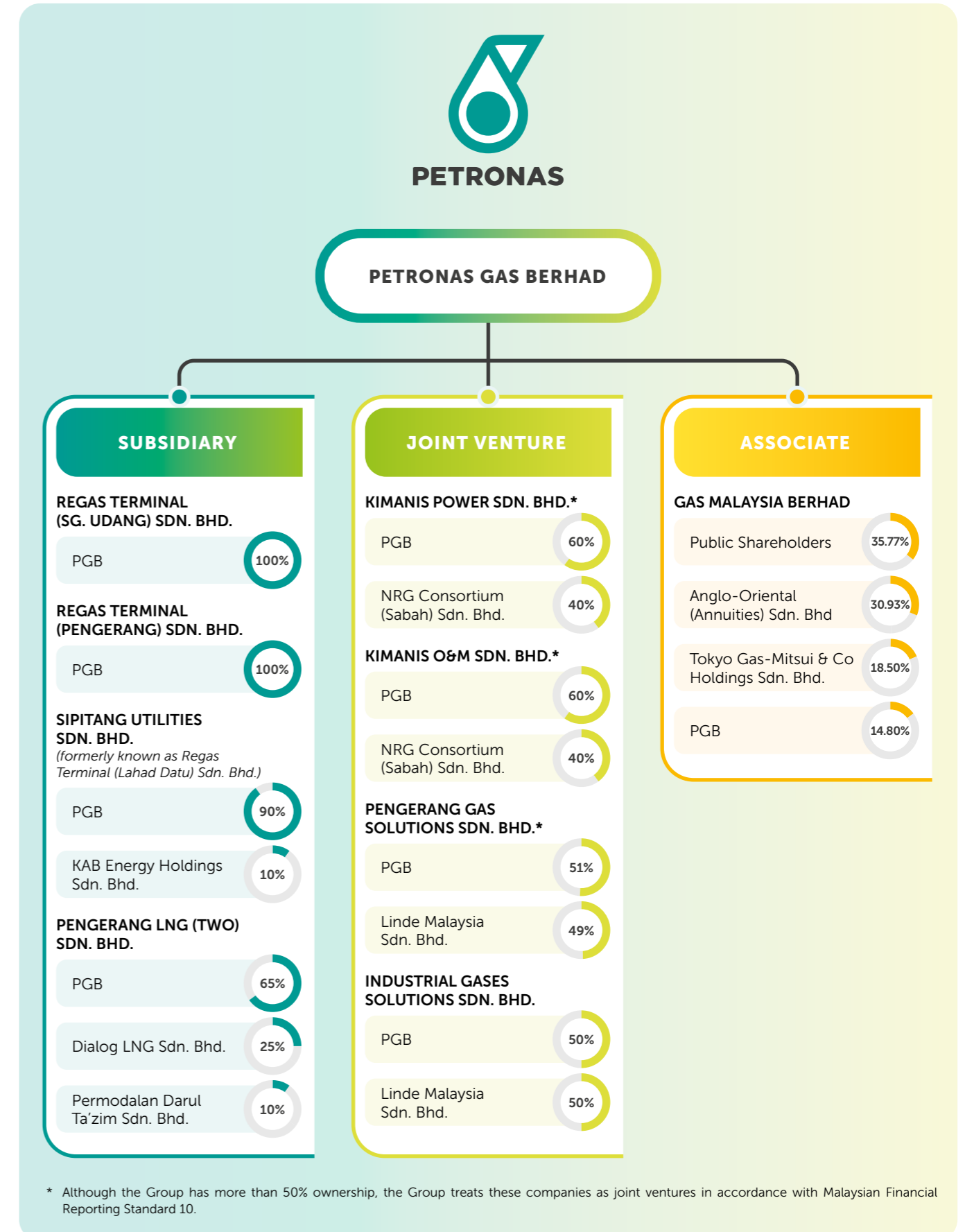
OUR APPROACH TO SUSTAINABLE DEVELOPMENT

PGB's overall sustainability agenda aligns with the United Nations' 17 Sustainable Development Goals (UNSDGs) which serves as reference to achieve a better and more sustainable future for all by 2030. In driving more focused effort, we have adopted seven of the 17 UNSDGs that are most relevant to the PGB Group's Sustainability Agenda and its Four Sustainability Lenses (namely Sustainable Value Creation, Safeguard the Environment, Positive Social Impact, and Responsible Governance), which also in line with the stance of the PETRONAS Group.



This focused alignment with the UNSDGs helps us better coordinate our support of the global sustainability agenda while strengthening our collaborative efforts with our stakeholders as we actively pursue our business objective of fostering sustainable value creation.

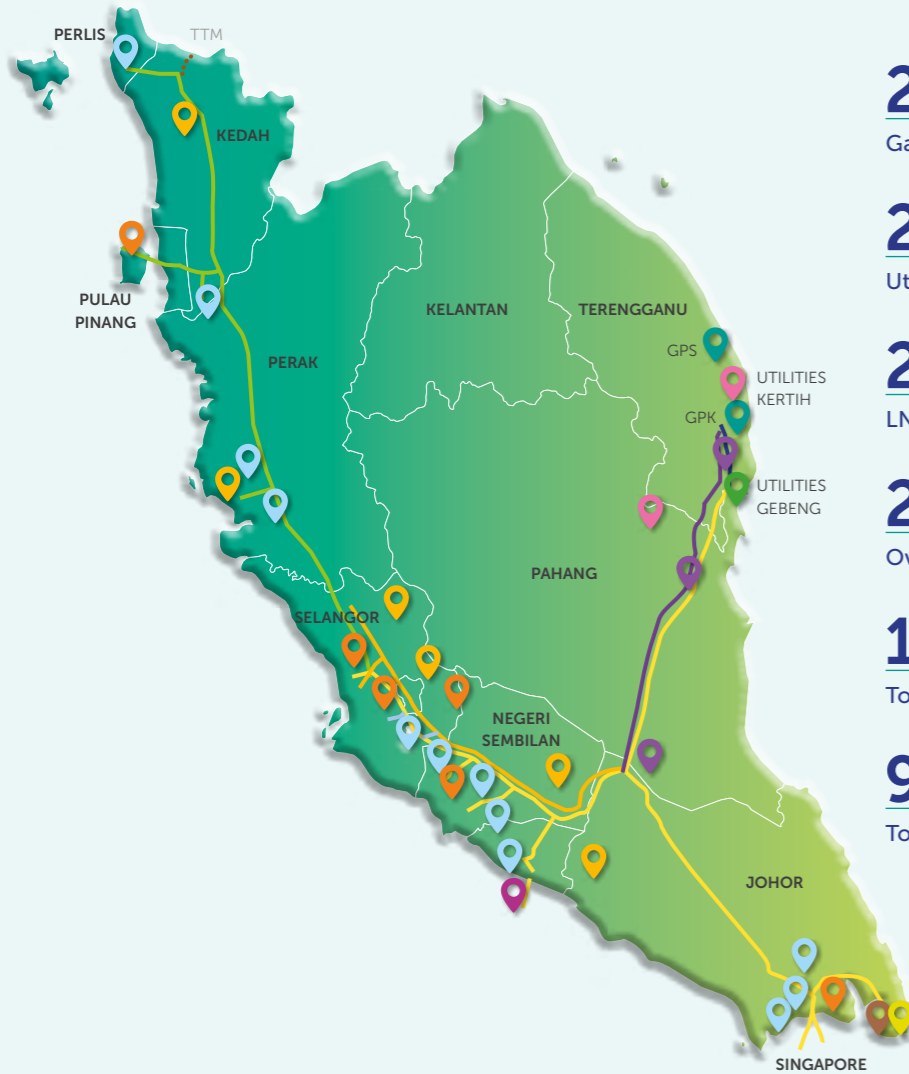
ORGANISATION STRUCTURE



WHERE WE OPERATE

WHERE WE OPERATE

OUR PRESENCE



2 Gas Processing Complexes

2 Utilities Complexes

2 LNG Regasification Terminals

2,633 KM Overall Pipeline Length

1,750 MMSCFD Total Gas Processing Capacity

990 MMSCFD Total LNG Regasification Capacity

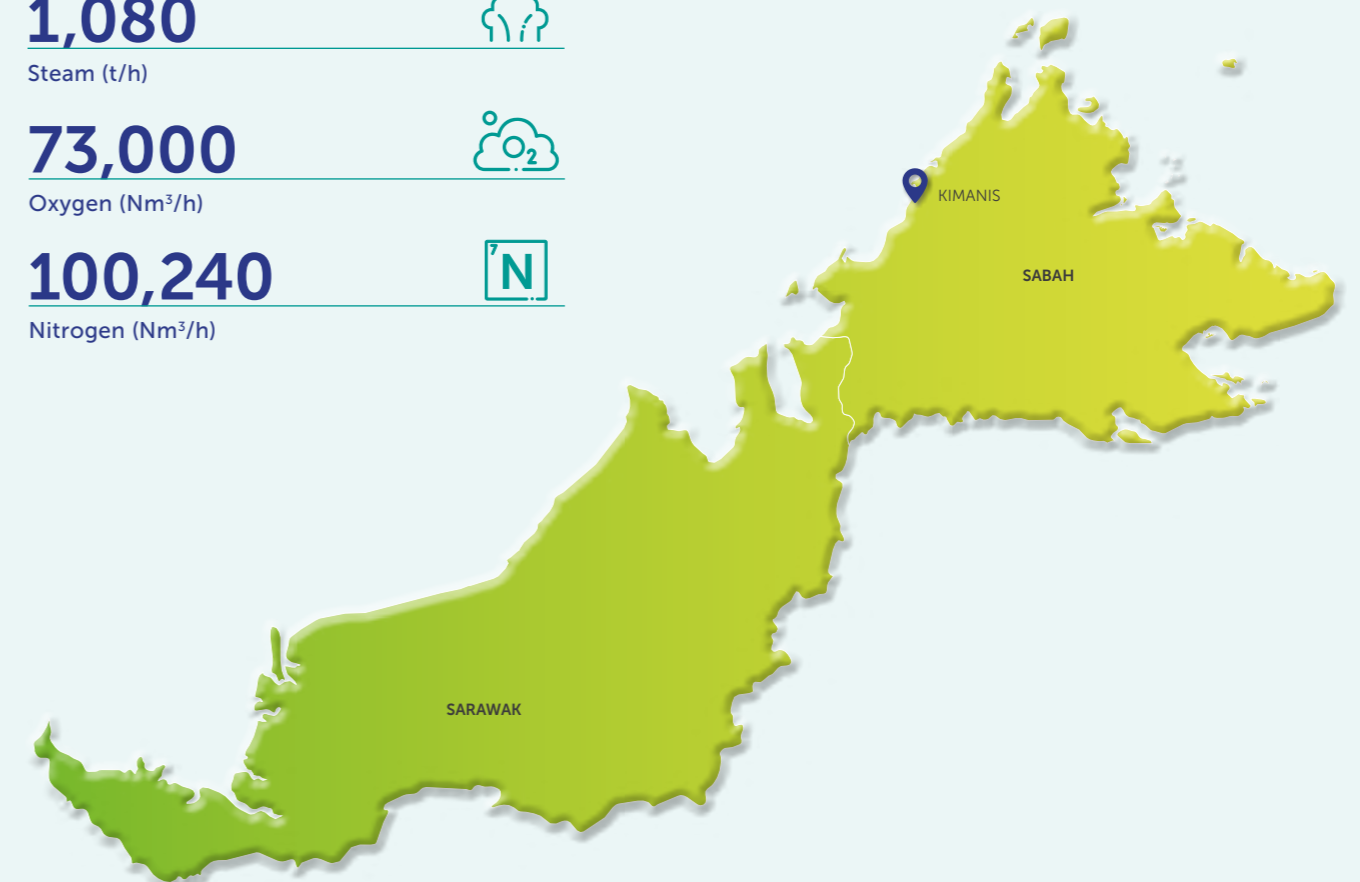
UTILITIES PRODUCT CAPACITIES

541 Electricity (MW)

1,080 Steam (t/h)

73,000 Oxygen (Nm³/h)

100,240 Nitrogen (Nm³/h)



MAIN PGU PIPELINE	(KM)	GAS – IN
PGU I : Kertih – Teluk Kalong	32	1983
PGU II	714	
Sector I : Teluk Kalong – Segamat	265	1991
Sector II : Segamat – Kapar	241	1991
Sector III : Segamat – Plentong	208	1991
PGU III	450	
Sector I : Meru – Lumut	184	1996
Sector II : Lumut – Gurun	130	1996
Sector III : Gurun – Pauh	136	1996
Loop 1 : Kertih – Segamat	266	1999
Loop 2 : Segamat – Meru	228	2000
Total	1690	

OVERALL PIPELINE	LENGTH (KM)
Main PGU	1,690
Lateral	468
Liquid	373
Sungai Udang	30
Pengerang	72
Total	2,633

COMPLEX	GPP	CAPACITY (MMSCFD)
GPK	2	250
	3	250
	4	250
GPS	5	500
	6	500
Total		1,750

PRODUCT CAPACITY	ELECTRICITY (MW)	STEAM (T/H)	OXYGEN (NM ³ /H)	NITROGEN (NM ³ /H)
Utilities Kertih (UK)	160	600	32,000	69,500
Utilities Gebeng (UG)	96	480	-	8,240
Kimanis Power Plant	285	-	-	-
ASU Pengerang	-	-	41,000	22,500
Total	541	1,080	73,000	100,240

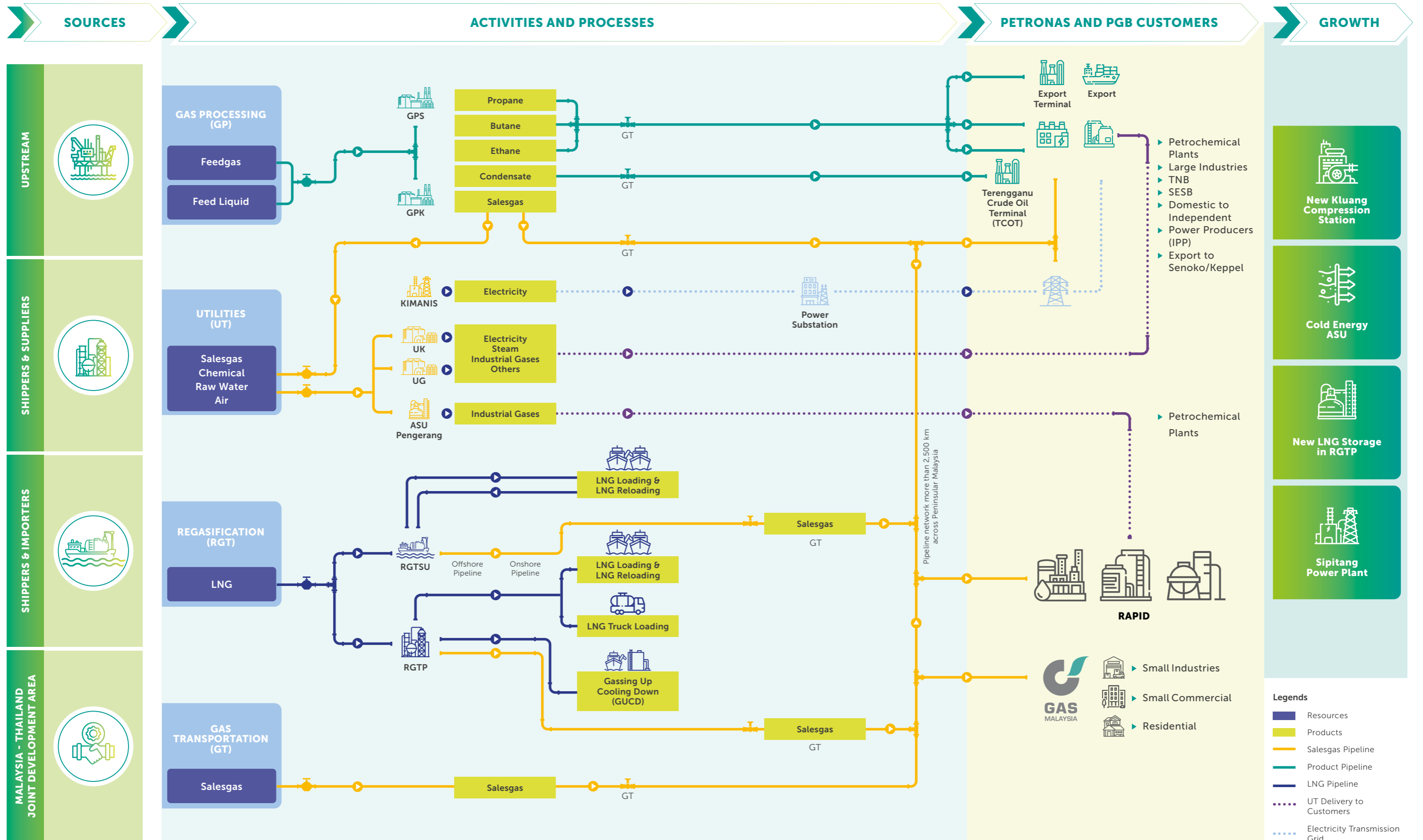
LNG REGASIFICATION TERMINAL	CAPACITY (MMSCFD)
Sungai Udang, Melaka	500
Pengerang, Johor	490

OPERATIONS & MAINTENANCE (O&M) SERVICES
Trans Thai-Malaysia (M) Sdn. Bhd. (TTM)

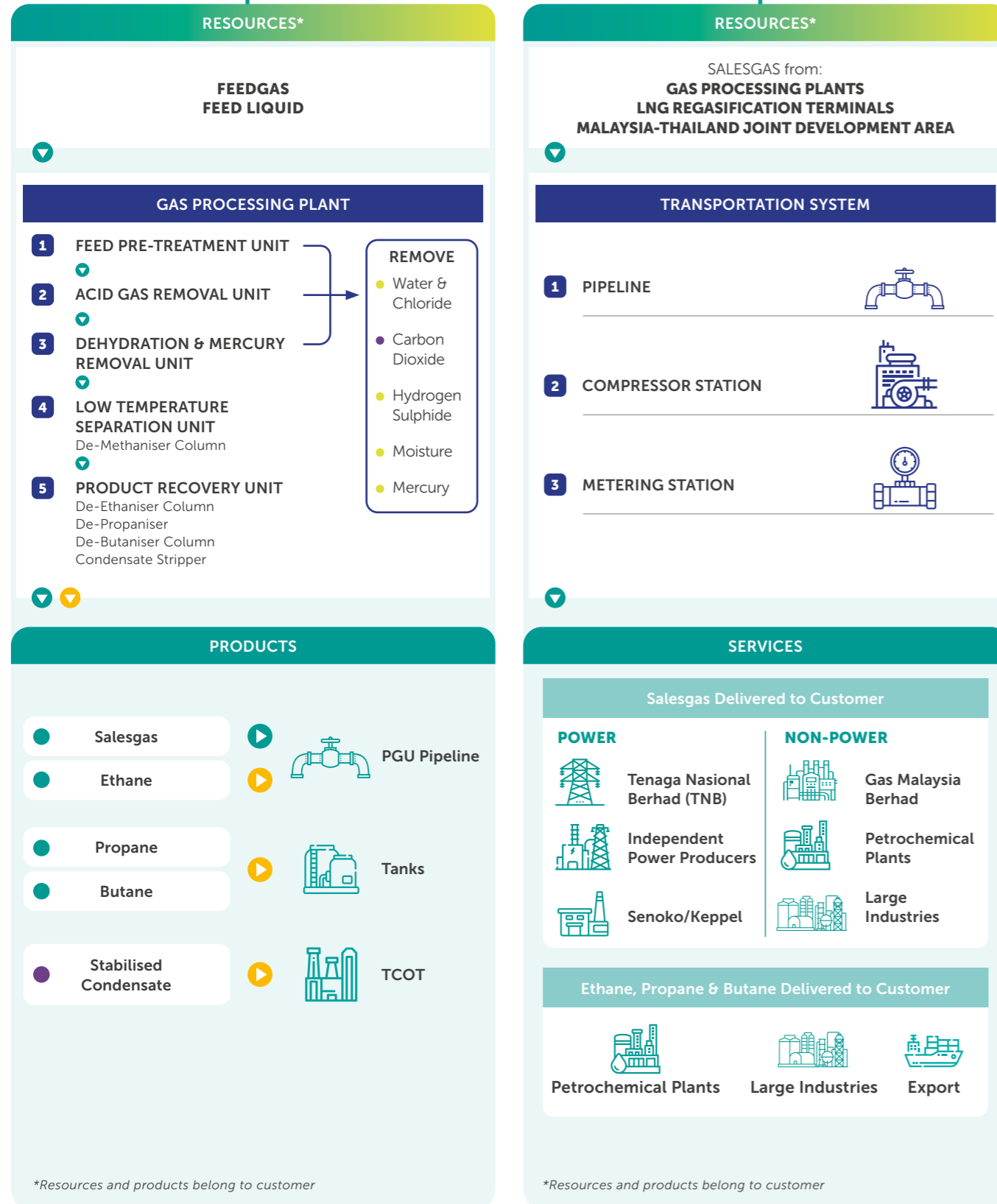
- Legends**
- Gas Processing Plant
 - Compressor Station
 - Utilities Plant
 - Industry
 - Tenaga Nasional Berhad Power Station
 - Independent Power Producer Power Station
 - Kimanis Power Plant
 - Tanjung Sulung Export Terminal
 - Offshore LNG Regasification Terminal
 - Onshore LNG Regasification Terminal
 - Air Separation Unit
 - O&M Services

OUR GROUP BUSINESS ACTIVITIES AND PROCESSES

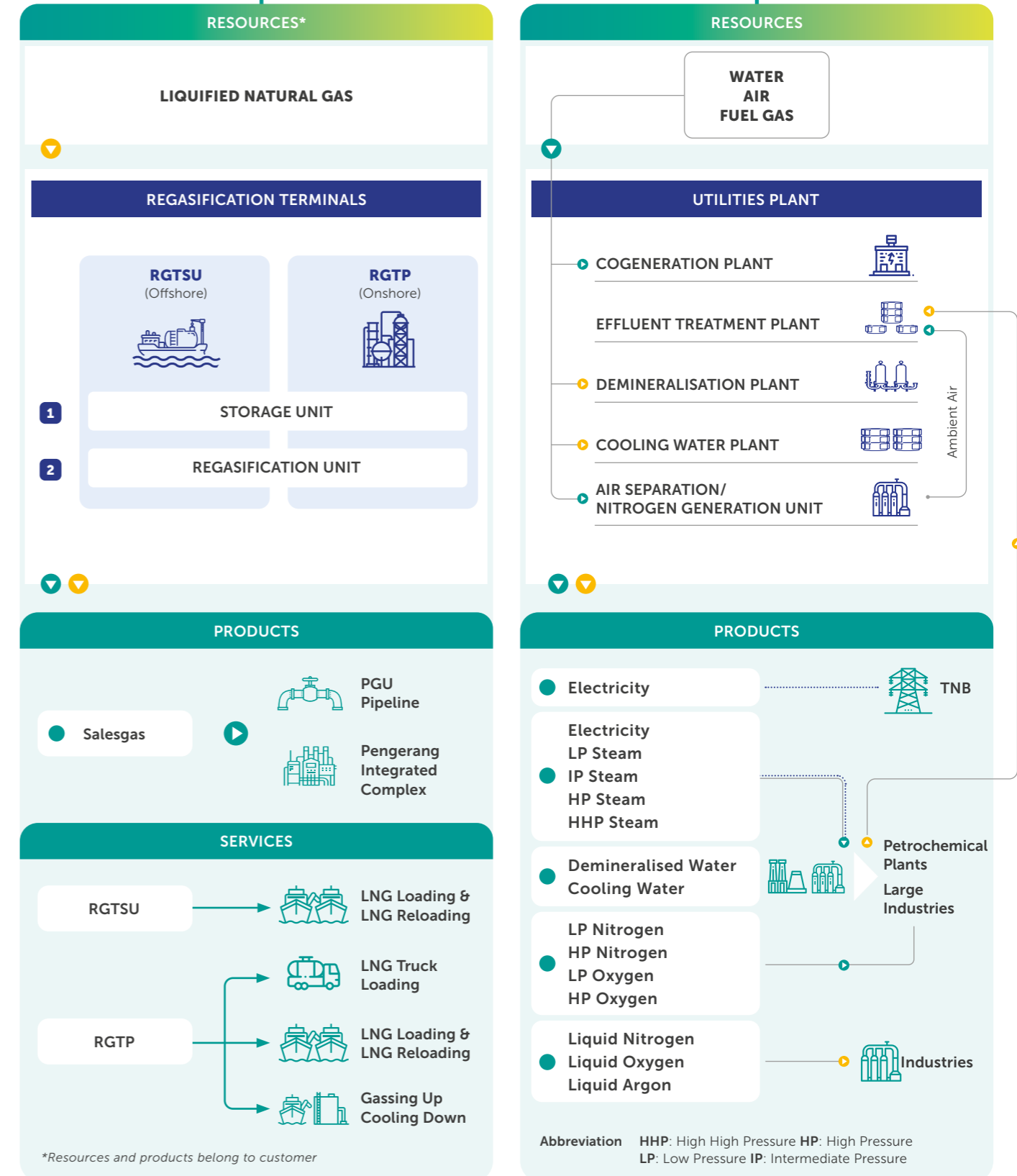
OUR GROUP BUSINESS ACTIVITIES AND PROCESSES



OUR GROUP BUSINESS ACTIVITIES AND PROCESSES



OUR GROUP BUSINESS ACTIVITIES AND PROCESSES



Legends

Gas (blue circle) Liquid (orange circle) Product (green circle) By-Product (purple circle) Contaminants (yellow circle) Electricity (dotted line)

OUR KEY MILESTONES

OUR KEY MILESTONES

1983-2023

1983-1984

- Incorporation of PETRONAS Gas Sdn. Bhd. (PGSB) as a wholly-owned subsidiary of Petrolim Nasional Berhad (PETRONAS) in 1983.
- Commencement of operations of Peninsular Gas Utilisation (PGU) 1 and commissioning of Gas Processing Plant (GPP) 1.

1987-1991

- Appointment of PGSB as a throughput and servicing agent to PETRONAS for PGU via Throughput Agreement.
- Commencement of operations of PGU2.
- Officiation of Segamat Gas Transmission Centre by the Prime Minister of Malaysia.

1992-1994

- First salesgas delivery to Senoko Power Station in Singapore via submarine pipeline.
- Commencement of operations of GPP2, GPP3 and GPP4.

2005-2009

- Execution of Operation and Maintenance Services Agreement with Trans Thai-Malaysia (M) Sdn. Bhd.
- Ground breaking ceremony of Kimanis Power Plant project by Chief Minister of Sabah.

1999-2000

- Commencement of operations of GPP5 and GPP6.
- First delivery of electricity to customers from CUF Kertih and CUF Gebeng.

1995-1998

- Execution of a 20-year Gas Processing and Gas Transmission Agreement between PGSB and PETRONAS.
- Listing of PETRONAS Gas Berhad (PGB) on the main board of the Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Securities Berhad).
- Completion of PGU3.
- Execution of the first Sale and Purchase Agreement with Centralised Utility Facilities (CUF).

2010-2011

- Announcement of the development of Malaysia's first liquefied natural gas (LNG) Regasification Terminal in Sungai Udang, Melaka (RGTSU) by Prime Minister of Malaysia.
- Announcement of PGB Network Code to Bursa Malaysia.

2013-2014

- Commencement of operations of RGTSU.
- Commencement of operations of Kimanis Power Plant.
- Execution of new Gas Processing Agreement (GPA) and Gas Transportation Agreement (GTA) with PETRONAS for another 20 years.

2015-2016

- Completion of Plant Rejuvenation and Revamp Project for GPP2, GPP3 and GPP4.
- Signing of Shareholders Agreement between PGB and Linde Malaysia Sdn. Bhd. for the development of Air Separation Unit (ASU) project in Pengerang, Johor.

2019

- Execution of the second term of GPA with PETRONAS.
- Execution of GTA for PGU, Terminal Use Agreement (TUA) for RGTSU and TUA for RGTP with PETRONAS Energy & Gas Trading Sdn. Bhd.
- Successful delivery of maiden LNG third party cargo at RGTSU.
- Introduction of new integrated ancillary services at RGTP.
- Commencement of full commercial operation of ASU, Pengerang.

2017-2018

- Commencement of operations of LNG Regasification Terminal Pengerang (RGTP).
- Execution of a 20-year Operation and Maintenance Agreement with PETRONAS Carigali Sdn. Bhd. for operation and maintenance of the Sabah-Sarawak Gas Pipeline.
- Regulation of the Group's Gas Transportation and Regasification businesses by the Malaysian Government pursuant to the Gas Supply (Amendment) Act 2016.
- Commencement of commercial operation at Train 1, ASU, Pengerang.

2020

- Successful delivery of steam supply to Polyplastics Asia Pacific Sdn. Bhd.
- Launch of LNG Truck Loading Facility, part of PETRONAS Virtual Pipeline System solution via RGTP.
- Launch of LNG Loading & Reloading service at RGTSU for PETRONAS LNG bunkering services, the first in Southeast Asia.

2021

- Maiden delivery of electricity to Kaneka (M) Sdn. Bhd.
- Implementation of New Enhanced Dispatch Agreement (NEDA) to export excess electricity to the grid.
- Commencement of Gas Processing and Utilities Technical Centre, at Gas Processing Kertih.
- Commencement of PGB Utilities Remote Operation Centre, at Kertih Integrated Petrochemical Complex.

2022

- Completion of PGU II Sector 3 debottlenecking project.
- Commencement of Unified Operations Centre for RGTSU & RGTP to facilitate remote operations of the regasification terminals.
- Renewal of utilities contract with PETRONAS Chemical Group Berhad's subsidiaries.

2023

- Completion of Gas Processing Santong Rejuvenation and Revamp project.
- Completion of Banting Lateral Gas Pipeline project.
- Completion of Utilities Kertih and Utilities Gebeng Major Electrical Equipment Rejuvenation project.
- Successful delivery of Utilities products from Utilities Kertih to PCC Oxyalkylates Malaysia Sdn. Bhd.
- Commencement of Private 5G Network at Gas Processing Kertih to expedite new ways of working implementation.
- Authorisation from Civil Aviation Authority of Malaysia for the Proof of Concept of a 100-kilometer Long Range Drone.

CHAIRMAN'S MESSAGE

FOSTERING RESILIENCE AND AGILITY TO NAVIGATE A DYNAMIC LANDSCAPE



Dear Valued Shareholders,

Against the backdrop of a challenging operating environment in 2023, PGB delivered resilient operational and financial performance while making progress across sustainability, governance and strategic initiatives.

ADNAN ZAINOL ABIDIN
Chairman

CHAIRMAN'S MESSAGE

NAVIGATING AN EVOLVING BUSINESS ENVIRONMENT

A variety of externalities impacted our operations in 2023, with factors such as geopolitical instability, escalating inflation and a weakening Ringgit contributing to volatility in our material costs and operating expenses.

High gas prices precipitated by ongoing conflicts in Eastern Europe and West Asia were key factors in elevating internal gas consumption costs across our business segments, most notably in our Utilities segment where energy consumption is the primary expense. Our Regasification and Transportation segments were especially exposed to currency fluctuations, due to some of our USD denominated long-term contractual obligations as well as the higher costs of imported materials.

Further to this, industry players are facing increasingly stringent regulations and stakeholder expectations surrounding sustainability and climate action, with many of our major institutional shareholders closely analysing our sustainability initiatives to ensure we meet their sustainable investing parameters.

Faced with these challenges, we have turned them into opportunities for progress. By resolutely focusing on driving cost optimisation and operational efficiency, supported by the targeted introduction of digital solutions, we successfully mitigated the year's high-cost environment, delivering a resilient financial performance that stands us in strong stead for the future.

We have transformed challenges into opportunities for progress, prioritising cost optimisation, operational efficiency and digital solutions to mitigate rising costs and deliver a resilient financial performance.

At the same time, we navigated the evolving sustainability environment adeptly towards net zero carbon emission. This will pivot our position as key driver of the nation's energy transition through the government's National Energy Transition Roadmap (NETR), launched in August 2023. As a contributor to the roadmap's catalyst projects, we now have the opportunity to capture new value propositions in the renewable energy and carbon abatement spaces, greenifying our portfolio for long-term value creation.

Drawing upon our infrastructure and competitive advantages in the energy sector, we are participating in some of the catalyst projects to enhance our economic sustainability while contributing to the nation's climate and energy objectives.

ENHANCING OUR SUSTAINABILITY BLUEPRINT

In 2023, we formalised our Sustainability Blueprint, which was developed in alignment with PETRONAS' Net Zero Carbon Emissions by 2050 pathway and sets forth our agenda across our four sustainability lenses: Sustainable Value Creation, Safeguard the Environment, Positive Social Impact and Responsible Governance.

By establishing this blueprint, we have clearly articulated our aspirations and identified specific areas where we seek to enhance our performance. We have complemented this with a roadmap outlining milestones to be achieved by 2030. Through these comprehensive guidelines, we aim to align our strategic objectives with a clear vision of how to attain our goals, fostering a unified and collective pursuit across the Group.

Concurrently, we established our Task Force on Climate-related Financial Disclosures (TCFD) Roadmap in 2023, providing guidance to our teams and placing us on track to reach our goal of achieving full compliance on TCFD recommendations by 2024.

Our concerted, Group-wide climate action efforts are both necessary and opportune, coming at a time when shareholders and financiers are exercising greater scrutiny over the climate commitments of companies, while the Malaysian government simultaneously accelerates its net zero drive through NETR and the National Energy Policy.

By supporting initiatives and catalyst projects under the government's NETR, we are contributing to the nation's energy transition and paving the way for new, low-carbon growth avenues.



CHAIRMAN'S MESSAGE

PROMOTING GOOD GOVERNANCE

As the nation's leading gas infrastructure and centralised utilities company, we embrace our responsibility to uphold the highest standards of integrity and ethics in everything we do. We continually place utmost priority in instilling good governance practices across all levels of our business, conscious that our actions impact our varied stakeholders, including our shareholders, customers, business partners and the nation. This becomes even more of an imperative in light of the transformative changes we are undertaking as we explore opportunities in renewable energy and pivot to meet the needs of the regional energy market.

We take great care to ensure that our Board contains the necessary blend of industry expertise and leadership skills to uphold our standards and oversee our strategies. To this end, we conducted a thorough 2023 Board Effectiveness Evaluation (BEE) exercise identifying priority areas that have since been incorporated in action plans to further improve Board performance.

AWARDS AND ACCOLADES

We are pleased that our commitment to upholding excellence is once again recognised through the prestigious local and international awards attained in 2023. This collectively paid tribute to our stellar performance in the realms of governance and Health, Safety, Security and Environment (HSSE), as well as our concerted efforts to drive digital transformation across the Group.

It is particularly gratifying to highlight that PGB stands as one of the public listed companies meeting the criteria for the recent PwC Malaysia's Building Trust Award 2023 conferred upon PETRONAS. This recognition underscores PGB's commitment to capability, transparency, and responsibility. Notably, this award's credibility is bolstered by its unique process, wherein submissions and nominations are not solicited, adding further weight to the acknowledgment.

Our inaugural success in the PwC Malaysia's Building Trust Awards 2023 affirms our commitment to instilling responsible and transparent governance practices.

In addition, we also received an award that recognised our efforts to enhance the adoption of new technology and digital tools to enhance our ways of working:

International Data Corporation Future Enterprise Award 2023

The implementation of RGTSU Digital Transformation strategy resulted in winning the Best in Future of Operation Award in both the Malaysian and Asia-Pacific categories.

DIVIDENDS

Amidst a challenging economic climate, we have remained committed to our long-term dividend policy of distributing a gross dividend of approximately 50% of our consolidated profit after tax and non-controlling interest to equity holders.

In respect of financial year 2023, we paid out four (4) single-tier interim dividends totalling 72.0 sen net per share, amounting to RM1.42 billion over the course of the financial year. This represents a payout ratio of 78.3% of our net earnings in 2023, underscoring our aim to deliver healthy returns to our shareholders in recognition of their continued trust.

MOVING FORWARD

Moving forward, our focus will lie in improving our performance against the ambitions of our Strategic Agenda and maintaining the momentum we have created in greenifying our portfolio. To drive progress, we have identified specific targets and goals within the pillars of Growth, Operational Excellence, Commercial Excellence and Project Excellence. These goals, collectively referred to as G5dot5, will guide us in building a stronger and more resilient PGB in the years ahead and towards the agenda's conclusion in 2030.

In terms of growing our capacity and capabilities, the Board has sanctioned two new projects in 2023, which are the expansion of LNG storage and the installation of a cold energy ASU at Pengerang. These projects are amongst the first to incorporate sustainability considerations where they have undergone Carbon Footprint Assessments (CFA) to measure carbon footprint post-project completion. All future projects will undergo CFA from the very early stages of planning and conceptualisation.

With regard to greenifying our portfolio, our proactive work in exploring renewable energy, carbon abatement and other climate-related initiatives stands us in good stead to support the nation's energy transition. Doing so will position us as a future-oriented energy company, safeguarding our reputation and opening the door to further private and public sector

CHAIRMAN'S MESSAGE



collaborations on this journey. Through our work with the catalyst projects of the NETR, there is further scope to make an impact towards our net zero ambition and the shared climate action goals of the nation.

Looking beyond the near-term, and notwithstanding our existing renewable energy investments, we believe that natural gas has a critical role to play in the ASEAN region's energy transition. With high reliability, a low levelised cost of energy and approximately 40% lower carbon emissions compared to coal, it will be a vital transitional fuel for the coming decades as countries gradually invest in building infrastructure required to deploy renewable energy at scale.

On this note, the liberalisation of the regional energy market presents a prime opportunity for PGB to play a better role as a natural gas infrastructure service provider across ASEAN, while Malaysia positions itself as the region's Gas Hub. We remain hopeful that Malaysia will continue to move towards a conducive ecosystem to support this aspiration.

This is a time of great change and great opportunity for the energy sector. With an innovative mindset and astute strategies, we can position ourselves to deliver greater value for our business and our stakeholders over the long-term.

ACKNOWLEDGEMENTS

Our continued resilience and dynamism to transform during challenging times is thanks in no small part to the support of our stakeholders and, on behalf of the Board, I would like to issue my heartiest thanks to them.

First of all, we owe our gratitude to our valued shareholders for their unwavering trust during good and more difficult

times alike; for standing behind our ambitions and believing in our vision of transformation. Similarly, the support of our key partners, including the relevant Government agencies and the various private and public entities we work with to realise our goals, has been vital to ensuring the nation's energy supply security and opening new doors for shared value creation. Thank you for your continued support.

Our goals would not be achievable without the contributions of our employees and Leadership Team, who put boots on the ground and minds to work to meet the energy challenges of today and shape the futures of generations to come. Thank you for your commitment, passion and strength on our shared journey.

Finally, I would like to express my appreciation to my fellow members of the Board for their work in spearheading PGB's transformation and driving excellence at every level of the business. In particular, I would like to place on record our collective appreciation to Dato' Abdul Razak Abdul Majid, who resigned in March 2023 after serving four (4) years on the Board. We thank Dato' Abdul Razak for his tireless contributions to the Group during his tenure and wish him every success in his future endeavours.

Operating in a fast-changing energy sector, let us remain guided by our purpose as an organisation. By being progressive in thinking and action, we can develop solutions that support the energy transition, enriching lives for a more sustainable future that benefits all. Thank you.

ADNAN ZAINOL ABIDIN
Chairman

MESSAGE FROM THE MD/CEO

MESSAGE FROM THE MD/CEO

ENSURING STABILITY AND GROWTH AS WE STEER TOWARDS NET ZERO



Highlights from our 2023 performance:

- Maintained world-class operational standard in reliability
- Successful revision of 3rd term of Gas Processing Agreement (GPA) with PETRONAS
- Attained Final Investment Decision (FID) for LNG storage expansion and new Air Separation Unit (ASU) at Pengerang

Dear Valued Shareholders,

Navigating through a challenging operational terrain, PGB achieved strong financial results and maintained world-class standards in operational excellence throughout 2023. We have refined and fortified our growth and sustainability strategies, positioning the Group for resilience and stability amidst the evolving energy landscape.

ABDUL AZIZ OTHMAN
Managing Director/Chief Executive Officer

A RESILIENT OVERALL PERFORMANCE

While our business was exposed to adverse market conditions such as unfavourable foreign currency movements, cost inflation and higher fuel prices in 2023, our people have once again demonstrated resilience, agility and business acumen, strategically focusing on key areas to positively influence outcomes and effectively navigate obstacles.

All segments continued to uphold world-class operational standards in terms of safety and reliability during the year, maximising our income. With revenue from our regulated businesses fixed and electricity prices pegged to TNB tariff, the optimisation of operational expenses remained a top priority. Our commitment to stringent cost discipline and optimisation in 2023 proved vital in mitigating the impact of adverse cost environment to our bottom line, contributing to the strong overall performance for the Group.

In contractual developments, I am pleased to report that we have successfully completed the revision of 3rd term of GPA, for our Gas Processing services to PETRONAS from January 2024 to December 2028.

Concurrently, we have made notable strides in unlocking growth opportunities aligned with the objectives outlined in our Strategic Agenda, with three projects reaching completion within our Gas Processing and Gas Transportation segments. Furthermore, several new projects have either obtained FID approval or are nearing sanctioning, ensuring a continuous pipeline for growth.

Amidst an operating environment marked by ongoing cost volatility and market challenges, the Group showcased resilience to achieve commendable results and is pleased to reward shareholders with a 72.0 sen per share declared as dividends in respect of 2023.

DELIVERING ON OUR NEW STRATEGIC AGENDA

In 2023, we initiated the first year of the PGB Strategic Agenda, a finely crafted roadmap to shape our success from 2023 to 2030. This strategic plan solidifies our commitment to elevate performance in the key domains of Growth, Commercial Excellence, Project Excellence and Operational Excellence, collectively known as G5dot5 which also serves as our winning formula to unlock the potential of our businesses, while ensuring the sustainability of PGB in alignment with our four sustainability lenses.

Our collective efforts to achieve G5dot5 Strategic Agenda targets served as a vital buffer against the influence of adverse market forces in 2023.



Within these strategic focal points, our objectives include delivering high-impact growth projects, ensuring safe and timely project delivery within budget and quality parameters, and achieving top-quartile results in crucial operating and sustainability metrics while ensuring optimum value creation. In the inaugural year, we successfully met targets for all growth initiatives while maintaining Quartile 1 performance in the majority of our operating metrics. However, we have simultaneously recognised areas for improvement and will refine our approach in 2024 to further enhance our performance.

The cumulative efforts under our Strategic Agenda yielded significant value in 2023, which helped to cushion the impact of adverse market forces, such as higher material and operating costs, on our profitability.



MESSAGE FROM THE MD/CEO

PGB STRATEGIC AGENDA



PROGRESSING OUR GROWTH DELIVERY PROJECTS

The Group has continued to make progress on the various growth project delivery highlighted in last year's report. In our Utilities segment, the commissioning of a new facility to supply utilities to PCC Oxyalkylates Malaysia Sdn. Bhd. at the PETRONAS Petroleum Industry Complex was a success, with offtake commencing in October 2023. Our Gas Processing segment, meanwhile, is close to completing its off-gas rerouting initiative to link the Terengganu Crude Oil Terminal to our Gas Processing Kerih complex, with the project expected to be finalised in the second quarter of 2024.

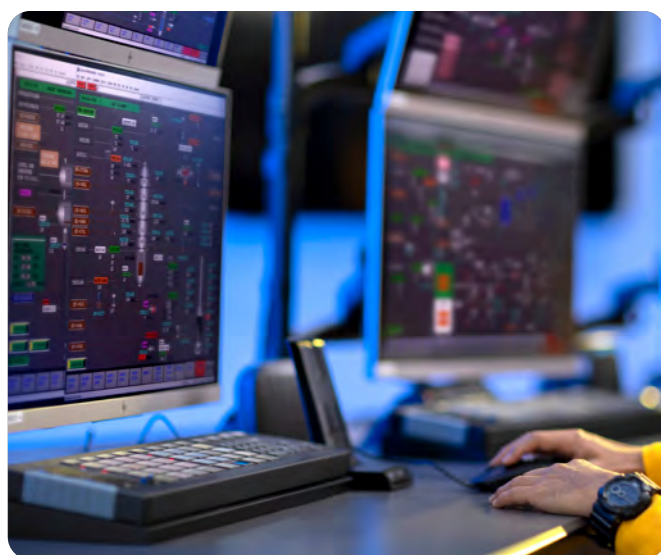
Our Gas Transportation segment has concluded works on the 10 km pipeline extension to Banting in Selangor, and 42 km lateral gas pipeline to the new power plant at Pulau Indah. Concurrently, the new gas compressor station project in Kluang, Johor, is expected to commence operations in early 2025.

Two new growth projects successfully reached Final Investment Decision during the year. These include the installation of a third floating storage unit, along with the construction of a cold energy ASU at Pengerang.

Our efforts to maintain forward momentum within in our growth initiatives have helped us realise value in the form of RM2,386.02 million in PBT for 2023, an increase of 5.1% compared to the previous year.

A STRONG FINANCIAL PERFORMANCE

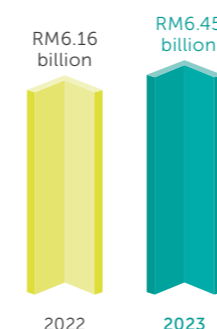
On the back of an efficient and reliable operational performance in 2023, the Group recorded a substantial increase in revenue, which rose by 4.6% to RM6.45 billion. This growth was mainly contributed by higher revenue in the Utilities segment, driven by an upward revision of Imbalance Cost Pass-Through (ICPT) tariff for the electricity that we have sold to customers. However, gross profit declined by 2.6% or RM60.68 million during the year, as a result of reduced contributions from our Gas Transportation, Gas Processing and Regasification segments. The decline was influenced by reduction in transportation and regasification tariffs, as well as an increase in operating expenses.



MESSAGE FROM THE MD/CEO

GROUP REVENUE

▶ **RM6.45**
billion



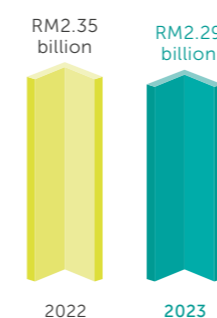
I am pleased to report a growth in our Profit Before Tax (PBT), which improved by 5.1% or RM116.65 million on the back of successful efforts to minimise our foreign exchange exposure through prepayment of a long-term USD lease liability. Stronger contributions from joint venture companies also contributed to the overall improvement in PBT. In tandem, our Profit After Tax (PAT) for the year rose by 8.1% to RM1.90 billion, with the absence of the Prosperity Tax that was imposed in 2022 contributing to the improved results.

Despite grappling with ongoing challenges, the Group is encouraged by the stronger performance achieved in 2023. The resilience of the Group's business model, supported by long-term contracts in the Gas Processing, Gas Transportation and Regasification segments, ensures we retain a robust financial position, while our continued investments in strategic growth projects will further fortify our revenue streams and asset base.

For details on the operational performance across our core segments, please read our Business Review from pages 42 – 49 in this report.

GROSS PROFIT

▶ **RM2.29**
billion



DRIVING A GENERATIVE HSSE CULTURE

Guided by our PGB Generative HSSE Culture ambition, we remain deeply committed to upholding good HSSE practices, going above and beyond compliance to not just uphold but exceed rigorous workplace safety standards. This culture fosters transparency and mindfulness within our workforce, exemplified by PETRONAS' 'Jom Patuh dan Tegur' initiative that encourages employees or third parties to speak up whenever they see unsafe practices or feel unsafe in the work place.

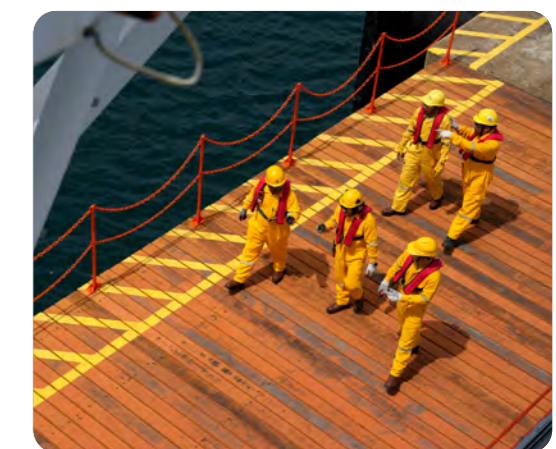
The Leadership Team continues to play a pivotal role in instilling a sense of personal accountability amongst all employees and contractors, with regular unannounced audits led by leaders organised to reinforce safety protocols, along with increased engagement with project management teams and contractors to emphasise the paramount importance of safety.

Despite our ongoing monitoring of HSSE leading performance indicators, it is with regret that PGB recorded one Major Loss of Primary Containment and one Loss Time Injury during the year. As part of our commitment to prevent

future recurrences, we have established an Accountability and Behaviour Reinforcement Committee tasked with carefully deliberating personnel behaviours contributing to HSSE incidents. By adding emphasis on identifying the specific undesired actions of personnel that could lead to incidents, we are better equipped to eradicate future occurrences of such conduct.

On top of that, PGB has implemented several new safety recommendations gleaned from the independent investigation team that was established last year, and will continue to conduct thorough studies and analysis to enhance future health and safety performance.

Our HSSE performance is a vital component of G5dot5 objectives, as we remain aware that not attaining desired performance results could lead to significant business, operational and reputational impacts. As we move towards completing our readiness for a new concept of empowered management of machineries by Department of Occupational, Safety and Health (DOSH), we remain committed to closing any gaps in our performance and promoting the desired attitude and conscientiousness amongst employees to achieve our Generative HSSE Culture and Zero HSSE incident targets.



DEVELOPING OUR PEOPLE AND CULTURE

With people being the core driver of our success, we are consistently enhancing our human resource management approach in alignment with PETRONAS policies and procedures. Special emphasis has been placed on implementing effective succession planning and developing leadership competencies across the organisation.

MESSAGE FROM THE MD/CEO

To this end, we have introduced a new Leadership and Conditioning framework to develop and nurture future leaders, through which we continuously identify high potential staff to be developed further as potential successors for top leadership positions. To ensure we are able to spur professional development across all employee tiers, we are also implementing a structured capability development framework tailored to both technical and non-technical workgroups at every employee level.

To foster collaboration and unity amongst our workforce, we conducted numerous employee engagement sessions throughout the year. Our initiatives were well received by our workforce, as we recorded a commendable scores based on the surveys conducted amongst our staff.



DRIVING ENGAGEMENT AND SATISFACTION

PETRONAS Organisational Culture Survey (POCS)
2023

► Favourable score of **85**

Post Engagement Satisfaction Level 2023

► **3.86/4**

As part of our PETRONAS Mind-A-Care ambassador programme, we have also upskilled leaders and managers with the necessary skills to foster and support the physical and mental well-being of our workforce. Our efforts to empower employees were validated by improved scores in our annual POCS, with the high response rate of 99% from PGB's employees indicating that we have successfully inculcated a highly engaged workforce that has embraced our 'Speak Up' culture for the betterment of the Group.

The PGB culture of excellence continues to be recognised through the numerous international and national awards received throughout the year. Key wins include our first-time triumph in the esteemed PwC Malaysia's Building Trust Awards 2023 and the International Data Corporation Future Enterprise Award for Best in Future of Operation (Malaysia and Asia Pacific categories).

ADVANCING DIGITAL TRANSFORMATION AND NEW TECHNOLOGIES

Our ongoing commitment to embrace innovative digital technologies remains instrumental in supporting cost and labour efficiency amid rising operational expenses, while also serving to future-ready our operations and infrastructure. Digital transformation projects at Regasification Terminal Sungai Udang and Regasification Terminal Pengerang, key components of our new ways of working, have been successfully completed since 2022, enhancing equipment performance monitoring, health analysis and prompt troubleshooting.

Our establishment of PGB's Unified Operations Centre has been a key driver of our best-in-class operational performance this year, with internal analysis indicating that multiple troubleshooting cases have been resolved more efficiently during the year as a result of employees being able to leverage on remote assist functions.

As the impact of Artificial Intelligence (AI) applications become more pronounced, we are adopting various tools that leverage on AI to enhance our efficiency and analysis capabilities. In 2023, we deployed a cutting-edge Gas Transmission Optimisation digital application that harnesses machine learning to optimise internal gas consumption. Additionally, we implemented state-of-the-art CO₂ monitoring technology that provides us with real-time data on our exact CO₂ emissions, a tool that will prove invaluable in identifying trends and opportunities to progressively reduce emissions.

We are also expanding our use of drones to further enhance our monitoring capabilities, leveraging upon our industrial 5G network and existing use of nested drones for pipeline surveillance to explore new applications such as providing additional security in remote locations and undertaking surveillance and monitoring of our assets.

MESSAGE FROM THE MD/CEO

ENSURING SUSTAINABLE VALUE CREATION

To maintain consistent and sustainable value creation for our stakeholders, we will persist in striving towards the ambitions and targets of our G5dot5 Strategic Agenda. The attainment of these targets will not only optimise the value we gain from our incentive-based long-term contracts, but also safeguard Malaysia's energy security by ensuring all our assets are available, reliable and operating at their optimal capacity.

While maintaining operational excellence and infrastructural reliability remains crucial for our revenue stability, we will simultaneously explore growth avenues that capitalise on our core competencies, as well as those arising from the ongoing energy transition.

We expect all ongoing growth projects to progress as planned in 2024, and will seek to make headway on the new projects that reached Final Investment Decision during the year, namely the aforementioned LNG storage and cold energy ASU at Pengerang. We are also currently assessing the viability of other potential new projects, including a new compressor station at Jeram, while continuing our construction of a new 52 MW power plant in Sipitang, Sabah, of which the details were revealed in last year's report.

In pursuit of growth opportunities that align with the NETR, we are exploring several renewable projects as part of initiatives to greenify our portfolio.

Effective delivery of projects is crucial for the success of our overall growth strategy. Consequently, we have established integrated project management teams to ensure the efficient implementation of projects. At the same time, we are closely engaging with stakeholders to ascertain the viability of various new projects. With a lack of regulatory mechanisms such as

a carbon tax to spur industry-wide action, it is vital that we first gauge the support of stakeholders, to ensure our new growth initiatives, especially those in the renewable energy sector, will deliver long-term sustainable value for the Group.

ELEVATING CLIMATE ACTION AND SUSTAINABILITY

We are significantly ramping up our commitment and resources towards our net zero targets, aligned with PETRONAS Group's Net Zero Carbon Emissions by 2050 (NZCE 2050) aspiration. To steer our actions, we have developed the PGB NZCE Pathway, which forms part of the Group's holistic Climate Change Risk Management Framework, to manage carbon footprint and greenhouse gas (GHG) emissions across our existing and expanding operations.



To this end, we remain focused on transforming our business and operations in order to fully comply with the sustainability requirements of NZCE 2050. Our dedicated efforts to automate data collection and have real time monitoring of GHG emission, we have replaced our system to iCON. This will further improve our data reliability and accuracy. Armed with this data, we can identify trends and statistics crucial for our net zero journey. Despite that, carbon abatement technologies is pivotal to meet the net zero ambitions.

Our foray into the renewable energy sector also holds potential for regional expansion. The Malaysian government has lifted the ban on exporting renewable energy in tandem with increased regional energy cooperation and the proposed ASEAN Power Grid development, opening prospects for the export of renewable energy in future. This provides a bigger opportunity for PGB to greenify our portfolio.



Gas Processing Kertih

MESSAGE FROM THE MD/CEO

We simultaneously acknowledge the increasing significance of enhancing our ESG disclosures in response to heightened regulatory emphasis on sustainability, along with elevated expectations from shareholders. We are thrilled to have made some significant headway in this aspect, as we achieved a FTSE4Good Bursa Malaysia rating of 4.1 in 2023, surpassing our target of 4.0 or better by 2025. We are also on track to achieve full TCFD compliance next year, leveraging on a newly formulated roadmap to guide our efforts in 2024 and beyond.

As we continue to make progress across the sustainability spectrum, our approach will remain guided by our PGB Sustainability Blueprint established in 2023, providing us with a holistic master plan for achieving our sustainability ambitions.

While gas remains the cleanest of all fossil fuels, we concede that it is nevertheless a limited resource. In contemplating the long-term sustainability of PGB, our proactive initiatives to progress climate action and contribute to the nation's energy transition positions us on a trajectory that seamlessly unite profitability and sustainability.

OUTLOOK

Moving forward, we will take into account both regional and global factors impacting the outlook of the gas industry, paying close attention to the energy transition across the ASEAN region and global initiatives to move away from hydrocarbons. Despite national policies and roadmaps being increasingly implemented, there remain significant hurdles and constraints in quickly increasing the use of renewable energy, coupled with concerns surrounding affordability and reliability. With its low Levelised Cost of Energy, gas therefore remains the optimal clean fuel to meet energy demand until renewable energy becomes more dependable.

All segments are anticipated to contribute positively to the Group performance in 2024, underpinned by revenue stability from our long-term contracts.

In terms of undertaking new growth projects, we will remain vigilant and focused in our approach, prioritising prospects related to our core business and other industry-adjacent opportunities in order to fully capitalise on our strengths, expertise and existing infrastructure.

In addition to our ongoing projects and new projects that reached Final Investment Decision in 2023, we are continuing to explore other avenues to bolster our growth funnel, including a new compressor station in Jeram, with the potential viability and anticipated challenges of these proposals currently under assessment. Looking towards the mid-term, we are exploring regional power solutions and expanding our industrial gases business, aligning with our aspiration to grow along the natural gas value chain.

Concurrently, the Group will focus on expanding its renewable energy projects, aligning with our commitment to greenify our portfolio. Our expansion is anticipated to strengthen compliance with sustainability standards, hence yielding a profound long-term impact, enhancing accessibility to funding and facilitating participation in opportunities.

While regulatory uncertainties and economic challenges persist on the horizon, we are confident that all segments will contribute positively to a robust performance for the Group in 2024, underpinned by the stability of revenue from our long-term contracts. Furthermore, the recent decision by the Suruhanjaya Tenaga to uphold elevated ICPT tariff for the initial half of 2024 augurs well for revenue generated from our Utilities segment in the immediate future. Despite this cautious optimism, we are vigilant to the prospects of inflationary operating costs and will continue to optimise cost efficiencies throughout our operations.

Amidst this era of profound transformation in the energy sector, we will remain steadfast in striving towards the overarching ambitions and defined targets within our Strategic Agenda, fulfilling our purpose of being a 'Progressive Energy and Solution Partner, Enriching Lives for a Sustainable Future.'



MESSAGE FROM THE MD/CEO



Tanjung Sulong Export Terminal

ACKNOWLEDGEMENTS

The achievements of 2023 stand as a testament to the incredible efforts and unwavering support from a multitude of contributors. On behalf of the PGB Leadership Team, I extend my heartfelt gratitude for the invaluable contributions made.

Our expansive workforce, from ground-level employees to our corporate leaders, has once again demonstrated immense commitment to our shared cause. Their tireless dedication and diligence have played pivotal roles in enabling us to attain the ambitious goals set at the beginning of the year. Showcasing a collective spirit of cooperation and collaboration, every PGB employee has contributed to helping the Group surpass last year's results.

A special thank you to the government agencies and regulatory bodies for their continuous support to PGB, and ensuring to maintain a vibrant ecosystem for the gas industry, which is fundamental to our success. Our sincere appreciation also extends to investors, shareholders, business partners, suppliers and customers for their steadfast trust in the Group's ability to deliver, even amidst challenging market conditions.

We are also immensely grateful to the Board of Directors at PGB for their invaluable insights and guidance that have proved instrumental in steering us along a profitable path. The Leadership Team has once again exceeded expectations, offering guidance to all employees and empowering their commitment to excellence.

Looking ahead, we eagerly anticipate continuing our collaboration with stakeholders, working hand-in-hand to transcend challenges and embrace new opportunities in the evolving landscape of the energy sector. Armed with our strategic objectives, we will continue to uphold excellence and conscientiousness in fulfilling our service to the nation and to our customers. Thank you.

ABDUL AZIZ OTHMAN
Managing Director/Chief Executive Officer

Business Overview:

OUR OPERATING ENVIRONMENT

PGB closely observes the evolution of our operating environment in order to ensure our approach and strategies remain relevant and impactful. These external factors are also taken into account when identifying, reviewing and refreshing our material matters. Our concerted approach arms us with the knowledge and insights required to sustain the health of our business as we propel PGB's status as a leading gas infrastructure and utilities company.

These are the notable industry trends and market developments identified in 2023 that are expected to influence our short- to medium-term performance.

GEOPOLITICAL TENSIONS



INSIGHTS

Ongoing tension in the Middle East, coupled with the still ongoing Russia-Ukraine conflict, continues to impact the stability of global energy supply chains. The situation has contributed to ongoing volatility in the Malaysia Reference Price (MRP) for fuel gas, while high coal prices has resulted in elevated ICPT tariff announced by the government.

IMPACT

- Our profitability for Utilities business segment is impacted by higher fuel gas price, which we purchase at the full MRP price without subsidy.
- While higher gas prices also result in higher Utilities revenue from industrial gas customers, electricity tariffs are set at par with TNB tariff to remain competitive.
- Our Utilities segment thus faces the most impact, with revenue and operating costs exposed to gas price fluctuations.

HOW WE RESPOND

- We continue to enhance operational and cost efficiencies across all business segments to mitigate potential impacts from an increase in the MRP.
- This is especially vital within our Utilities segment where fuel gas is the primary variable cost.

OUTLOOK

With uncertainty remaining around ongoing geopolitical conflicts, we foresee the MRP increasing in tandem with higher Brent and JCC indexes. With energy prices remaining high but stable, the government has already announced that the current ICPT tariff of 17 sen/kWh will be maintained for at least the first half of 2024.



Utilities Kertih

Business Overview:

OUR OPERATING ENVIRONMENT

FOREX FLUCTUATIONS



INSIGHTS

In addition to the strengthening of USD on the back of stronger economy and Federal Reserve policies, the Malaysian Ringgit has simultaneously weakened due to geopolitical issues. This led the Ringgit to weaken to its lowest against USD in the last 25 years during 2023.

IMPACT

- Sales from our Regasification segment is accrued in Ringgit, but some expenses require payments in USD.
- Unfavourable exchange rates may thus increase our exposure to forex losses, with higher operational and maintenance costs.
- Increased exposure to USD-linked assets and liabilities.

HOW WE RESPOND

- Decisive action was taken in 2023 to mitigate forex exposure within our Regasification segment, with early settlement of USD233.6 million made for lease liabilities pertaining to floating storage units at RGTSU.
- From time to time, we continuously assess the requirement of short term hedging to mitigate forex exposure.

OUTLOOK

The Ringgit has begun to stabilise towards the end of 2023, but remains significantly weaker compared to the end of 2022. We remain cautious of a potential Ringgit slump in the first quarter of 2024, however, analysts have forecasted a strengthening of the Malaysian currency in the second half of 2024.



CYBERSECURITY REGULATIONS



INSIGHTS

A new cybersecurity bill is set to be tabled in Parliament sometime during 2024. The bill is expected to showcase Malaysia's growing commitment to enhancing its cyber resilience, and will potentially include new regulations and enforcements related to cybersecurity laws.

IMPACT

- We expect greater scrutiny of our cybersecurity systems in line with an increased regulatory focus.
- Our businesses will be subject to more frequent and in-depth inspections as relevant government agencies aim to enforce new laws and policies.

HOW WE RESPOND

- We have proactively taken steps to drive Group-wide digital transformation in alignment with the PETRONAS Group's overarching strategies.
- To this end, we have adopted modern cybersecurity technologies that provide robust protection of important data and systems.

OUTLOOK

We will assess the new bill and regulations for opportunities or incentives to further enhance our digital platforms, with emphasis on bolstering our crisis management and recovery procedures.

Business Overview:

OUR OPERATING ENVIRONMENT

SUSTAINABILITY EVOLUTION



INSIGHTS

The emphasis on sustainability especially climate action continues to grow amongst our stakeholders, most notably amongst our regulators and shareholders. Oil and gas companies are expected to embrace diversification, decarbonisation and reinvention to remain relevant and align with the evolving expectations of banks and financial institutions. The Malaysian government's new National Energy Transition Roadmap (NETR) also places greater impetus on industry players to make meaningful progress towards energy transition.

IMPACT

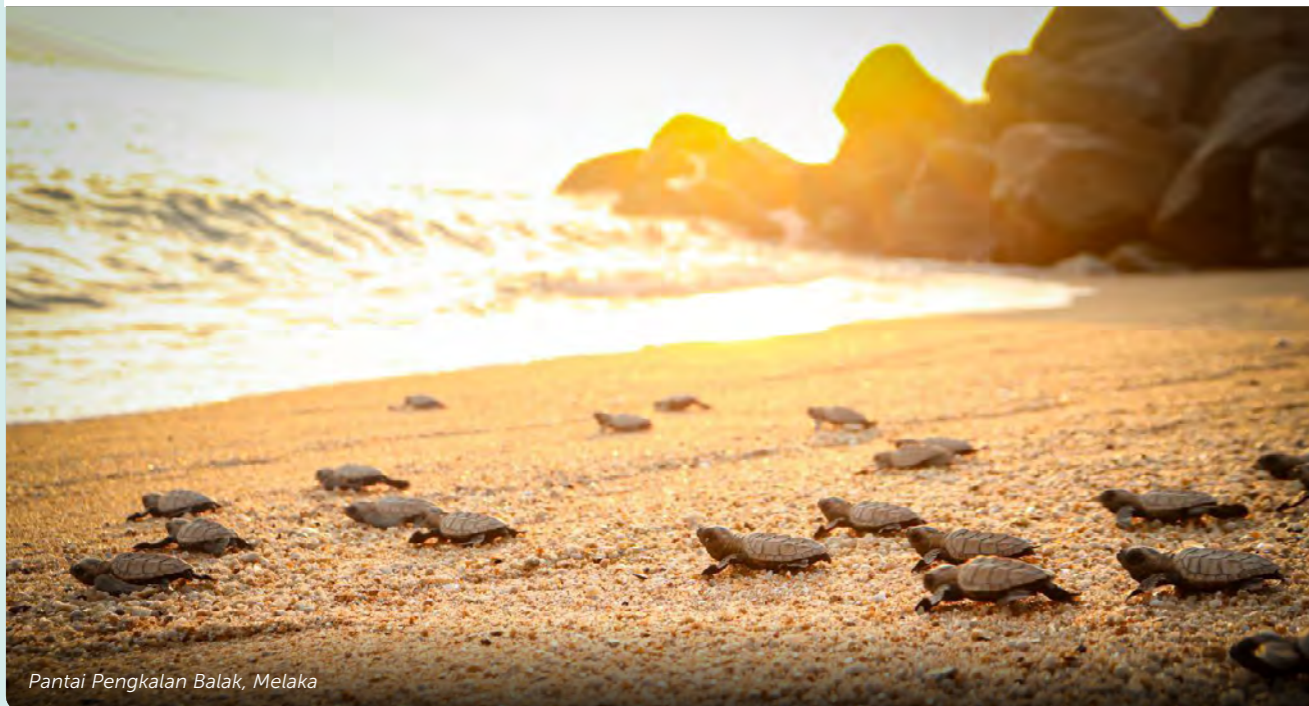
- Our sustainability practices are coming under greater scrutiny from regulatory bodies and shareholders, such as Bursa Malaysia and the International Sustainability Standards Board, along with our core shareholders Permodalan Nasional Berhad and Employees' Provident Fund.
- These regulatory bodies and shareholders are increasing their expectations for PGB to embed sustainability elements within our businesses.
- Financial institutions are also increasingly examining our businesses model and sustainability practices before procuring funding.

HOW WE RESPOND

- Establishment of PGB Sustainability Blueprint which outlines key milestones up to 2030 and clearly defining our objectives and pathways to achieve them.
- We are also improving our reporting disclosures to provide transparent and accurate assessments of our sustainability impacts, practices and performance.
- Focusing solely on our core businesses is not an option, we have to pivot and explore opportunities that are aligned with the NETR.

OUTLOOK

The emphasis on sustainability is anticipated to intensify nationally, regionally and globally. We foresee the introduction of new regulations and standards, requiring PGB to be agile and adaptable to the evolving landscape. Our diversification into adjacent businesses within the renewable energy sector aligns with this trend while offering potential future growth.



Pantai Pengkalan Balak, Melaka

Business Overview:

OUR OPERATING ENVIRONMENT

INCENTIVE-BASED REGULATIONS (IBR)



INSIGHTS

IBR Guidelines for Gas Transportation and Regasification was established pursuant to section 13 of Gas Supply Act 1993 [501] in August 2018, and amended in year 2019. As the gas market in Peninsular Malaysia becomes more liberalised, both regulators and gas facilities operators must endeavour to enhance IBR Guidelines to ensure fair and robust tariffs are determined.

As part of an on-going efforts proposed during the Regulatory Period 2 (RP2) tariff determination proposal, Suruhanjaya Tenaga has introduced draft enhanced IBR Guidelines in 2023.

IMPACT

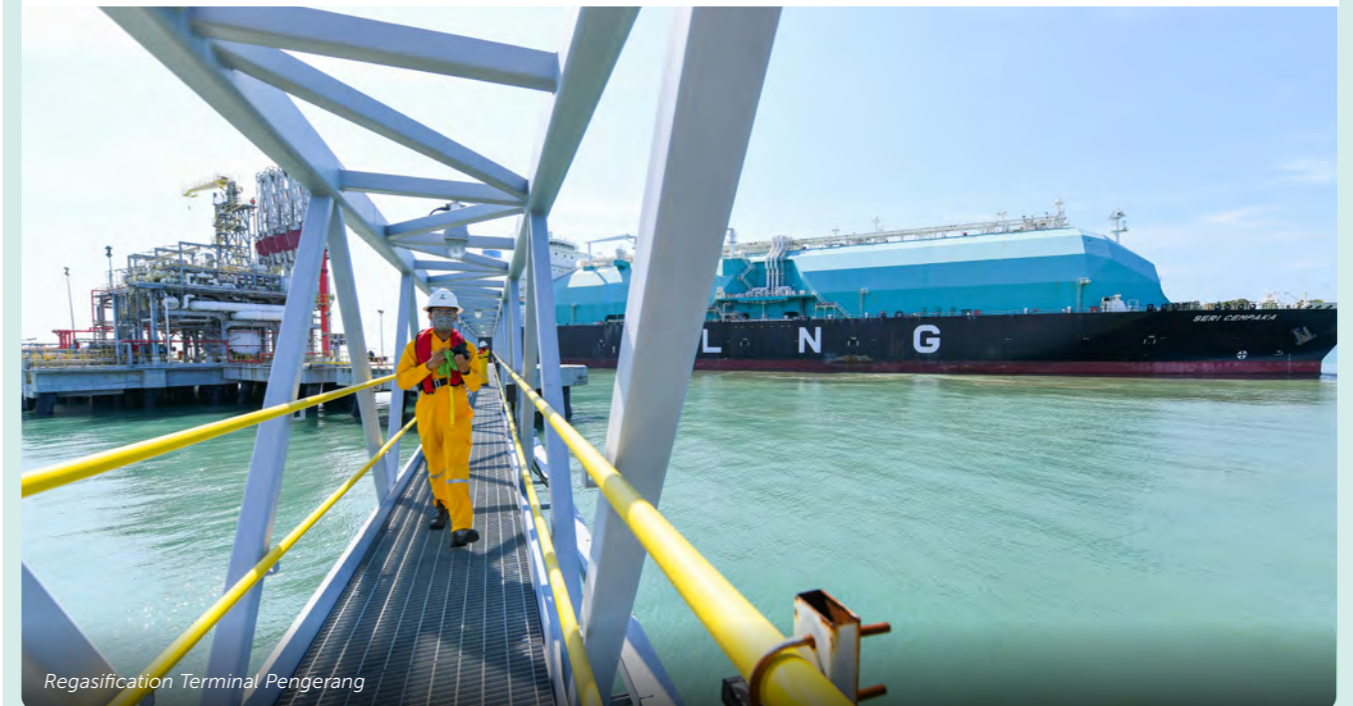
The IBR for PGB is based on revenue-capped method, hence there is minimal impact to overall PGB business.

HOW WE RESPOND

- As a major gas infrastructure player in Malaysia, PGB has been supporting government policies to ensure security of gas supply, drive sustainable development and expansion of gas infrastructures, and establish competitive tariff to increase the affordability for end users.
- We have continuously engaged with regulator to undertake discussions on proposed enhancements to IBR Guidelines, aiming to achieve a win-win solution for both regulators and gas facilities operators.
- Simultaneously, we are consistently improving our internal control and reporting systems to transparently and accurately comply with regulatory data requirements, as we ramp up to submit our RP3 tariff determination proposals by end of 2024.

OUTLOOK

We will continue to support and promote the shift to gas as the cleanest fossil fuel, ensuring we have the infrastructure to support higher future demand while advocating for IBR guidelines that enhance the sustainability and viability of the gas industry.



Regasification Terminal Pengerang

Business Review:

GAS PROCESSING



M NAZIR M NOR
Head of Gas Processing and Utilities

Business Review:
GAS PROCESSING

FINANCIAL PERFORMANCE

REVENUE

RM1.78
billion

GROSS PROFIT

RM0.80
billion

SEGMENT ASSET

RM4.63
billion

HUMAN CAPITAL



MALE
894



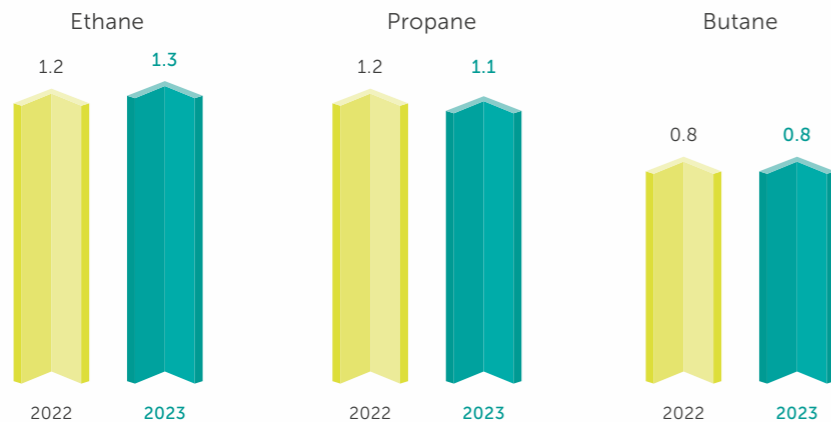
FEMALE
94



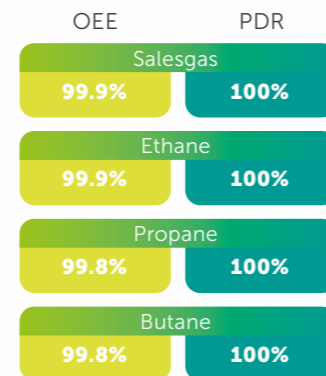
TOTAL STAFF
988

OPERATIONAL PERFORMANCE

Liquid Production Volume (MT million)



2023



HIGHLIGHTS 2023

Strategic Objectives

OE OPERATIONAL EXCELLENCE

CE COMMERCIAL EXCELLENCE

GR GROWTH

Initiatives

Value optimisation through innovative, efficient, and agile operational strategies, leading to:

- OEE & Reliability sustained >99%
- Meeting customers' demand, despite lower feedgas availability
- Improved Energy Index to 93.5
- GHG reduction >500k_tCO₂e

Successful revision of 3rd Term GPA with comparable value to previous GPA term.

Achieved highest IGC incentive in GPA 2nd term through various continuous improvements.

Undertaken studies on potential new business that has a strategic fit with Gas Processing, i.e., carbon abatement projects in Kertih.

CHALLENGES AND RISK

	Challenges and Risk	Mitigation
HSSE	<p>High number of turnarounds, shutdowns and projects leading to higher exposure to HSSE risks.</p> <p>Changes in feedgas composition pose a higher risk of compliance to effluent discharge quality.</p>	<p>Foster close partnership with internal and external stakeholders to ensure rigorous enforcement of Let's Comply and Intervene campaign and promotion of HSSE Generative Culture amongst staff and partners.</p> <p>Improve operational control at effluent treatment through enhancement of chemical injection management.</p>
OPERATIONAL EXCELLENCE	<p>Sustaining high asset reliability with aging assets while ensuring zero interruption in customer demand.</p> <p>Volatility of upstream volume on feedgas supply and quality.</p>	<p>Sustain asset reliability above 99% to ensure security of supply to customers</p> <p>Establishment of "Ready To Fix" programme through maintenance enhancement programmes and synchronisation with integrated production planning to resolve plant reliability threats without impacting product demand.</p> <p>Deployment of Digital Priority of Supply (DigiPos) Phase 1 to predict incoming feedgas composition based on upstream interruptions and execute blending strategy.</p>
BUSINESS ENVIRONMENT	<p>Calibrating the shifting demands and managing the various outputs.</p>	<p>Utilisation of Alpha Gas's integrated production planning tool to proactively address end-to-end supply-demand imbalances and execute strategies based on product prioritisation value.</p>

OUTLOOK & PROSPECTS

Operationalisation of Gas Processing Agreement (GPA) 3rd Term requirements, through prudent operations and maintenance execution.

Upscaling digital implementation to further enhance efficiency in operation and maintenance activities.

Implementation of integrated project management teams to ensure efficient execution of projects.



Business Review:

GAS TRANSPORTATION



BURHAN ABDULLAH
Head of Gas Transportation and Regasification

Business Review:

GAS TRANSPORTATION

FINANCIAL PERFORMANCE

REVENUE

RM1.14
billion

GROSS PROFIT

RM0.56
billion

SEGMENT ASSET

RM3.85
billion

HUMAN CAPITAL



MALE
281



FEMALE
30



TOTAL STAFF
311

OPERATIONAL PERFORMANCE



HIGHLIGHTS 2023

Strategic Objectives	OE OPERATIONAL EXCELLENCE	CE COMMERCIAL EXCELLENCE	GR GROWTH
Initiatives	<p>Deployment of Gas Transmission Optimisation (GTOPs) digital application, harnessing machine learning to optimise internal gas consumption.</p> <p>Successful installation of Automated Unmanned Aircraft System, long-range drones which complement existing nested by providing additional security in remote locations and undertaking surveillance and monitoring of our assets.</p>	<p>Commissioning of gas supply to new customer in Banting.</p>	<p>Completion of pipeline extension project in Pulau Indah.</p>

CHALLENGES AND RISK

	Challenges and Risk	Mitigation
HSSE	High number of projects leading to higher exposure to HSSE risks.	Foster close partnership with internal and external stakeholders to ensure rigorous enforcement of Let's Comply and Intervene campaign and promotion of HSSE Generative Culture amongst staff and partners.
OPERATIONAL EXCELLENCE	Sustaining high asset reliability with aging assets while ensuring zero interruption in customer demand.	Execution of focus area initiatives to: <ul style="list-style-type: none"> Sustain asset reliability above 99% to ensure security of supply to customers Leverage on digital initiatives to sustain asset efficiency and optimise production costs
BUSINESS ENVIRONMENT	GT is operating under regulated business model which affects the overall GT profit and margin.	Close collaboration with regulators to foster understanding on the impact of the regulations on Gas Transportation business performance. Optimisation in operating cost to ensure a sustainable margin.

OUTLOOK & PROSPECTS

Upscaling digital implementation to further enhance efficiency in operation and maintenance activities.

Implementation of integrated project management teams to ensure efficient execution of projects.



Business Review:

REGASIFICATION



BURHAN ABDULLAH
Head of Gas Transportation and Regasification

Business Review:
REGASIFICATION

FINANCIAL PERFORMANCE

REVENUE

RM1.35
billion

GROSS PROFIT

RM0.64
billion

SEGMENT ASSET

RM4.85
billion

HUMAN CAPITAL



MALE
117

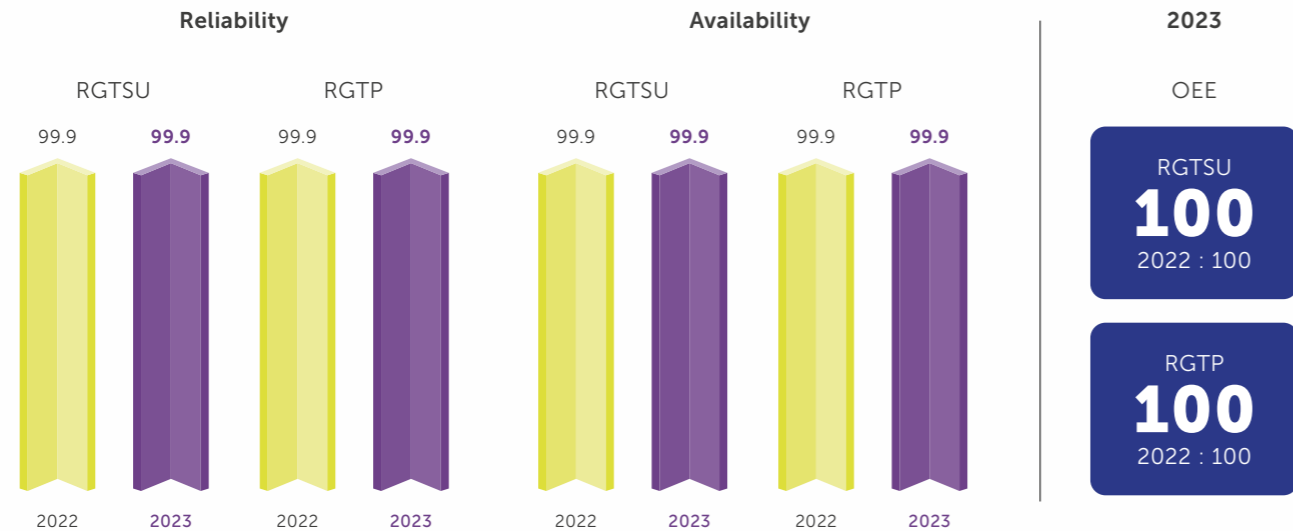


FEMALE
7



TOTAL STAFF
124

OPERATIONAL PERFORMANCE



HIGHLIGHTS 2023

Strategic Objectives	OE OPERATIONAL EXCELLENCE	CE COMMERCIAL EXCELLENCE	GR GROWTH
Initiatives	Established the PGB Unified Operations Centre (UOC) in Segamat, where the regasification assets are monitored and controlled from the UOC for better efficiency and improved safety.	Early settlement of our long-term USD contract for the Floating Storage Units (FSUs) at RGT Sungai Udang which help to mitigate unrealised forex exposure.	Achieved FID for additional LNG storage at Pengerang.

CHALLENGES AND RISK

	Challenges and Risk	Mitigation
HSSE	High number of projects in offshore environment leading to higher exposure to HSSE risks.	Foster close partnership with internal and external stakeholders to ensure rigorous enforcement of Let's Comply and Intervene campaign and promotion of HSSE Generative Culture amongst staff and partners. This includes upskilling of project partners on offshore project environment and risk.
OPERATIONAL EXCELLENCE	Sustaining high asset reliability in a low equipment utilisation environment.	Execution of focus area initiatives to: <ul style="list-style-type: none"> Sustain asset reliability above 99% to ensure security of supply to customers Leverage on digital initiatives to sustain asset efficiency and optimise production costs
BUSINESS ENVIRONMENT	Regasification is operating under regulated business model which affects overall Regasification profit and margin. Forex fluctuations impacting USD-linked long-term contracts.	Close collaboration with regulators to foster understanding on impact of the regulations on Regasification business performance. Optimisation in operating cost to ensure a sustainable margin. Continue execution of mitigation strategy for USD-linked long-term contracts.

OUTLOOK & PROSPECTS

Project execution of the new Floating Storage Unit (FSU) in Pengerang.

Upscaling digital implementation to further enhance efficiency in the operation and maintenance activities.

Implementation of integrated project management teams to ensure efficient execution of projects.



Regasification Gas Terminal Sungai Udang

Business Review:

UTILITIES

Business Review:
UTILITIES



M NAZIR M NOR
Head of Gas Processing and Utilities

FINANCIAL PERFORMANCE

REVENUE

RM2.17
billion

GROSS PROFIT

RM0.29
billion

SEGMENT ASSET

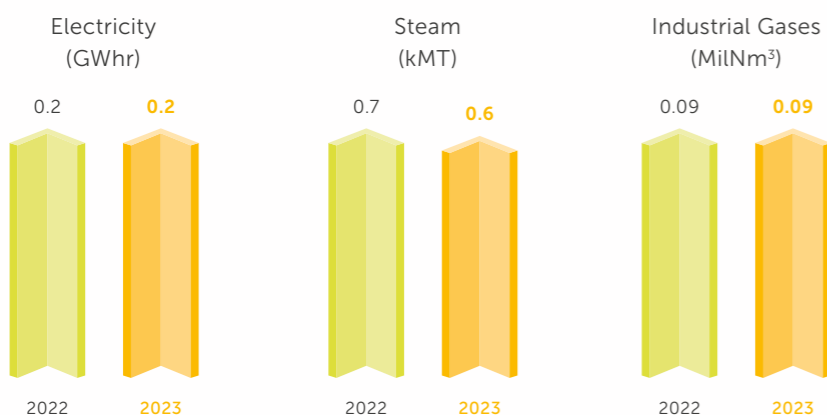
RM1.49
billion

HUMAN CAPITAL



OPERATIONAL PERFORMANCE

UK & UG



2023



HIGHLIGHTS 2023

Strategic Objectives	OE OPERATIONAL EXCELLENCE	CE COMMERCIAL EXCELLENCE	GR GROWTH	
Initiatives	<p>Established agile cogeneration plant configuration and New Enhanced Dispatch Agreement (NEDA) export optimisation to achieve optimum efficiency on steam and power production while meeting product demand.</p>	<p>Commissioned supply for new revenue stream ie. new customer PCC Oxylalkylates Malaysia Sdn Bhd at PETRONAS Petroleum Industry Complex.</p> <p>Secure and renew contracts with key customers/suppliers:</p> <ul style="list-style-type: none"> Steam and electricity supply to PETRONAS Chemical LDPE Hydrogen-rich gas purchase from Propane Dehydrogenation plant 	<p>Achieved FID for cold energy ASU at Pengerang.</p> <p>Undertaken the studies on potential business expansion business that is a strategic fit with Utilities segment.</p>	

CHALLENGES AND RISK

	Challenges and Risk	Mitigation
HSSE	Sustaining HSSE compliance and performance with lean execution team.	Foster close partnership with internal and external stakeholders to ensure rigorous enforcement of Let's Comply and Intervene campaign and promotion of HSSE Generative Culture amongst staff and partners.
OPERATIONAL EXCELLENCE	Further optimisation on equipment running efficiency without jeopardising product delivery reliability.	Deploy new running configuration of cogeneration plant to achieve optimum efficiency and production while meeting product demand.
BUSINESS ENVIRONMENT	Fuel gas price fluctuation impose a threat to financial performance.	Agility in exploring revenue replacement strategies through the development of Utilities Business Operation Revival (URBAN) Strategy which includes new operating mode, spot sales improvement and plant reliability sustenance. Enhance a "Know Your Cost" culture, streamlining operations and optimising resource allocation for enhanced financial resilience and profitability amidst uncertain ICPT policies.

OUTLOOK & PROSPECTS

- Project execution of the cold energy ASU in Pengerang.
- Implementation of the agile cogeneration plant configuration to optimise profitability.
- Upscaling digital implementation to further enhance efficiency in operation and maintenance activities.
- Implementation of integrated project management teams to ensure efficient execution of projects.



Business Review:
AWARDS & RECOGNITION

GAS PROCESSING

Anugerah Keselamatan Kebakaran Nasional (APPKN) (Awarded in 2023)

- Industry and Manufacturing category - GPS

Anugerah Penarafan Bintang Sasaran Penting (APBSP) 2023

- Emerged as a third-time winner - TSET

Institut Kimia Malaysia (IKM) Excellence Award 2023

- Award for GPK, GPS and TSET

MSOSH Award 2023

- Grand Award - GPK and TSET
- OSH Gold Class - GP
- Gold Class 1 Award for Engineering Department (Turnaround and Shutdown)

National Council for Occupational Safety and Health (NCOSH) Award 2023 (Awarded in 2023)

- Petroleum/Gas/Chemical category - GPS
- Storage category - TSET

Prime Minister Hibiscus Awards (PMHA) 2021/2022 - HSSE (Awarded in 2023)

- Excellent Achievement (Highest Level of Award) - GPS
- Exceptional Achievement (Second Highest Level of Award) - GPK and TSET

GAS TRANSPORTATION

Malaysia Technology Excellence Awards 2023

- Artificial Intelligence category - Gas Transmission Optimisation Project (by using digital application to optimise IGC consumption)

MiSHA National Excellence Awards on OSH Principle of Prevention (OSHPoP) 2023

- 15 MiSHA Gold Awards within Gas Transportation and Regasification segments

MSOSH Award 2023

- Gold Merit - Pasir Gudang, Seremban, Shah Alam and Sitiawan Regional Offices

RoSPA Health and Safety Award 2023

- Gold Class 1 Award - Project STAR
- Silver Award - Operation Shah Alam Regional Office

Safety & Health Assessment System in Construction Assessment by CIDB

- 5 Star Award - Project STAR (Southern Operation)

REGASIFICATION

British Safety Council Award

- Distinction in the International Safety Awards 2023 with score of 52 out of 56 - RGTSU
- Malaysian Best in Country Award - RGTSU

International Date Corporation (IDC) Future Enterprise Award 2023

- Best in Future of Operation Award in both Malaysia and Asia Pacific categories - RGTSU Digital Transformation

MiSHA National Excellence Awards on OSH Principle of Prevention (OSHPoP) 2023

- MiSHA Platinum Award - Segamat Operation Centre
- MiSHA Diamond Award - PLNG2, RGTSU, Gurun and Kuantan Regional Offices
- 15 MiSHA Gold Awards within Gas Transportation and Regasification segments

MSOSH Award 2023

- Grand Award - RGTSU and RGTP

Prime Minister Hibiscus Awards (PMHA) 2021/2022 - HSSE (Received in June 2023)

- Exceptional Achievement Award in Environmental Performance - RGTSU and RGTP
- Special Project Award (Silver) for Sustainable Waste Management - RGTSU

RoSPA Health and Safety Award 2023

- Gold Award - RGTSU
- Silver Award - Shah Alam Regional Office

UTILITIES

Institut Kimia Malaysia (IKM) Excellence Award 2023

- Award for UK and UG

MSOSH Award 2023

- Grand Award for UK and UG

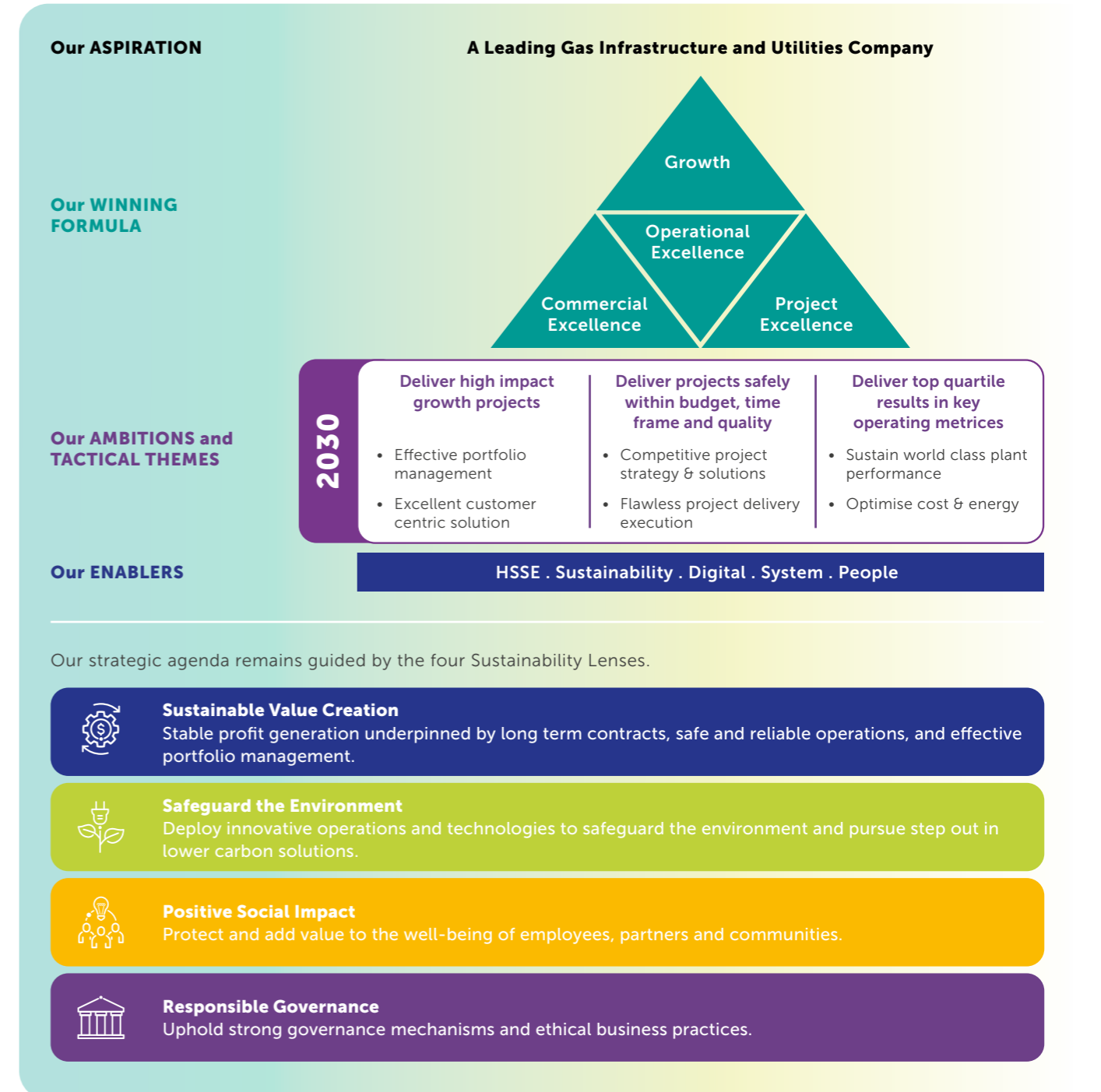
Prime Minister Hibiscus Awards (PMHA) 2021/2022 - HSSE (Awarded in 2023)

- Excellent Achievement (Highest Level of Award) - UK
- Exceptional Achievement (Second Highest Level of Award) - UG

STRATEGIC BLUEPRINT

PGB STRATEGIC AGENDA

The PGB Strategic Agenda, initiated in early 2023, outlines a concise yet comprehensive short and medium-term strategy for the organisation. Encompassing the period from 2023 to 2030, this strategic framework is designed to concurrently sustain operational excellence while emphasising business expansion. PGB aims to elevate its standards in project and commercial excellence, aspiring to emerge as a high-performing, safe, reliable, and efficient organisation.



STRATEGIC BLUEPRINT

STRATEGIC BLUEPRINT



WINNING FORMULA

Our winning formula consists of four pillars namely **growth, commercial excellence, project excellence and operational excellence**. These are the areas identified where most our effort will be concentrated in order to achieve PGB Strategic Agenda. It reflects PGB current internal and external pain points for it to remain resilient and relevant in sailing through future challenging business landscape. Our enablers which are made up of **HSSE, Sustainability, Digital, System and People** act as foundation for our winning formula. They make sure the four pillars are well oiled to accelerate them towards realising PGB Strategic Agenda.



AMBITIONS AND TACTICAL THEME

For each of the pillar, PGB has set specific strategic goals as a measurement of success. Under growth and commercial excellence, our ambition is to successfully deliver high impact projects.

Under project excellence, our ambition is to execute our projects within budget, time frame and quality without compromising on safety.

For operational excellence, we have set five key sustenance and improvement targets for our strategic agenda.

- Top quartile in OEE
- Top quartile in unit cost
- Top quartile in Energy Index
- Top quartile in ESG rating
- Generative HSSE culture

Unit cost refers to the cost of producing a single unit of a product or service. It is calculated by dividing the total cost of production by the number of units produced. Unit cost measurement is to measure efficiency, compare products or services to identify cost savings opportunities. The goal of achieving a Top Quartile Unit Cost target is to ensure that PGB remains competitive in comparison to its peers in the industry.

Environmental, Social and Governance (ESG) rating is a measure of a company's performance in addressing environmental, social, and governance issues. ESG ratings are often used by investors and other stakeholders as a way to evaluate a company's overall sustainability and assess the risk associated with investing in that company. ESG rating providers such as FTSE4Good use a variety of different methodologies and data sources to rate company's level of commitment to sustainability. Achieving a top quartile ESG rating reflects PGB's dedication to sustainability, responsible governance and its commitment to being relevant to its shareholders and to the market.

Generative HSSE Culture is about doing the right things even when no one is watching.

- Ownership:** Leader's role model and everyone has strong ownership over HSSE, as we believe HSSE creates value and is good for our business
- Mindful:** We are conscious about HSSE in what we do because it's the right thing to do, not because somebody is watching
- Interdependent:** We look out for each other because potential risks and errors are always at the top of our minds, and because nobody has all the answers - EVERYBODY contributes to HSSE
- Courageous:** We feel safe to intervene when we see unsafe conditions and behaviours, and welcome such intervention from our co-workers

OEE is a measure of our plant performance against its limit and identify sources of loss within the plant. It measures how well we use the equipment when they are available.

Since 2019, our assets have consistently achieved top quartile in this metric showing our commitment towards meeting our customers requirement. Strong plant performance is required to become a reliable supplier and reap the incentives from long term agreements.

Energy Index is a measure to assess and quantify the energy performance or efficiency of a system, process, facility, or organisation. It helps evaluate how effectively energy resources are being used to produce products and deliver services. Using the latest technology and operational adjustment, PGB will continue to maintain our efficiency in top quartile amongst the industry.

To deliver these targets, our initiatives are divided into below tactical themes:

<p>Growth & Commercial Excellence</p> <ul style="list-style-type: none"> • Effective portfolio management • Excellent customer centric solution 	<p>Project Excellence</p> <ul style="list-style-type: none"> • Competitive project strategy & solutions • Flawless project delivery execution 	<p>Operational Excellence</p> <ul style="list-style-type: none"> • Sustain world class plant performance • Optimise cost & energy
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OUR ENABLERS

<p>HSSE</p>	<p>PGB strives to provide safe working space for all stakeholders. In order to sustain good HSSE performance, PGB aspires to achieve Generative Culture.</p>
<p>Sustainability</p>	<p>PGB sustainability agenda focuses on four lenses:</p> <div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; padding: 2px;">Sustainable Value Creation</div> <div style="border: 1px solid black; padding: 2px;">Safeguard the Environment</div> <div style="border: 1px solid black; padding: 2px;">Positive Social Impact</div> <div style="border: 1px solid black; padding: 2px;">Responsible Governance</div> </div>
<p>Digital</p>	<p>The three digital priorities in supporting the PGB Strategic Agenda are:</p> <ol style="list-style-type: none"> 1. Digital as new ways of working and data enabler 2. Accelerate the adoption of analytic maturity towards cognitive analytic 3. Digital as value creation enabler
<p>System</p>	<p>PGB's key levers in shaping the company towards a high performing, efficient and reliable organisation consist of:</p> <ol style="list-style-type: none"> 1. Management System & Work Process - a set of policies, procedures and processes embedded with dynamic improvement cycle 2. Principle of Empowerment - always brings the decision making closer to where the actions are for better efficiency
<p>People</p>	<p>PGB strives to provide a conducive ecosystem for its employees to be Empowered, Agile & Enabled:</p> <ol style="list-style-type: none"> 1. Empowered: Given the right knowledge and tools towards achieving their goals 2. Agile: Given the freedom and space to overcome challenges towards achieving a goal 3. Enabled: Given the means to do something towards achieving a goal

STRATEGIC FOCUS AREAS AND KEY PERFORMANCE INDICATORS

STRATEGIC FOCUS AREAS AND KEY PERFORMANCE INDICATORS

	STRATEGIC FOCUS AREAS	KEY PERFORMANCE INDICATORS	2023 INITIATIVES AND RESULTS	2024 PRIORITIES
OPERATIONAL EXCELLENCE 	<p>Ensure safe operations at all facilities.</p> <hr/> <p>Drive efficiencies and improve plant reliability performance.</p> <hr/> <p>Drive environmental sustainability as part of operations.</p> <hr/> <p>Normalisation of Digital means as new ways of working through insightful analytics.</p>	<p>Zero Major HSSE Incident (Fatality, LTI, Major LOPC, Major Fire)</p> <hr/> <p>Plant reliability & efficiency: PGB Energy Index (EI) PGB OEE PGB Reliability</p> <hr/> <p>Reduction in GHG emissions footprint (tCO₂e)</p> <hr/> <p>Completion progress of Digital Initiatives</p>	<p>0 Fatality & 0 Major Fire 1 LTI & 1 Major LOPC</p> <hr/> <p>PGB EI : 93.94% PGB OEE : 99.7% PGB Reliability : 99.5%</p> <hr/> <p>517,280 tCO₂e</p> <hr/> <p>Average of 96.7% completion for 11 Digital Initiatives</p>	<ul style="list-style-type: none"> Improve critical activities preparation and execution especially at project sites, while sustaining day to day activities best practices. Sustain world class operation to ensure reliable and high-quality products delivered to customers by measuring key operational parameters. Materialising PGB Strategic Agenda targets through execution of identified Key Result Areas to maximise value creation. Undertake initiatives to reduce GHG emission footprint towards lower carbon energy solutions. Unlock the value creation of the completed projects in creating safer, cost efficient and more productive environment aligned with new ways of working. Inculcate Data Liberalisation via Critical Data Element (CDE) Ingestion in Enterprise Data Hub in supporting new ways of working.
COMMERCIAL EXCELLENCE 	<ul style="list-style-type: none"> Retain business: Ensure renewal and extension of current commercial contracts. Capture new business: Expand business to secure new commercial contracts. Advocate for natural gas: Engage with regulator. 	<ul style="list-style-type: none"> Achievement of key milestones for commercial contracts, growth projects and opportunities identified. 	<ul style="list-style-type: none"> New Sales and Purchase Agreement (SPA) for electricity and utilities with PCG PCC Oxyalkylates Sdn. Bhd. Revision of 3rd term Gas Processing Agreement (GPA) Renewal of SPA for electricity and utilities with PETRONAS Chemicals LDPE Sdn. Bhd. 	<ul style="list-style-type: none"> Secure new business, contracts and customers outside of captive area. Proactive venture for Utilities and Industrial Gases business. Proactive identification for new opportunities.
GROWTH 	<ul style="list-style-type: none"> Focused execution of identified growth opportunities within core business and adjacent value pools. 	<ul style="list-style-type: none"> Achievement of key milestones for commercial contracts, growth projects and opportunities identified. 	<ul style="list-style-type: none"> LNG storage capacity with the set-up of a new Floating Storage Unit at RGTP. Installation of a cold energy ASU at Pengerang to explore step out opportunities in cold energy utilisation. Active exploration of infrastructure project studies to address gas supply security. 	<ul style="list-style-type: none"> Implementation of new gas infrastructure as approved by Suruhanjaya Tenaga in Regulatory Period 2. Explore opportunities in energy transition space, aligned with the National Energy Transition Roadmap. Forge strategic partnerships and collaborations to tap into new markets and opportunities, especially with industrial utilities and power players.
PEOPLE, SYSTEMS AND CULTURE 	<ul style="list-style-type: none"> Continuous implementation of talent strategy and initiatives. Strengthen Culture of Accountability. Efficient and sustainable system and work process implementation. 	<ul style="list-style-type: none"> Manning Percentage Number of Ready Talent for Corporate Critical Position and Business Critical Positions (MD/CEO and MD/CEO Direct Reports – General Manager and Above). Technical Specialist qualified Leaders Engagement and Communication PETRONAS Organisational Culture Survey (POCS) 2023 result More than 75% sites pass the implementation assessment for Work Process, Empowerment and Management System 	<p>99% manning</p> <hr/> <p>6:1 ratio</p> <hr/> <p>88% fulfilment</p> <hr/> <p>60 sessions</p> <hr/> <p>Sustained favourable results for organisational culture survey i.e., POCS 2023 at 85 favourable score against POCS 2022 (82 score).</p> <hr/> <p>All sites passed the assessment</p>	<ul style="list-style-type: none"> Align the manpower requirements with business goals and adaptable to changes in business outlook and strategy. Strengthen PGB succession planning which is crucial for organisational sustainability and ensures that there is a pool of qualified staff ready to take on critical and leadership roles. Strengthen succession plan by increasing junior executives to build supply and support Grow Our Own Timber. Focus on gaps closure and intervention for POCS 2023. Continuous improvement efforts towards self-empowered organisation.

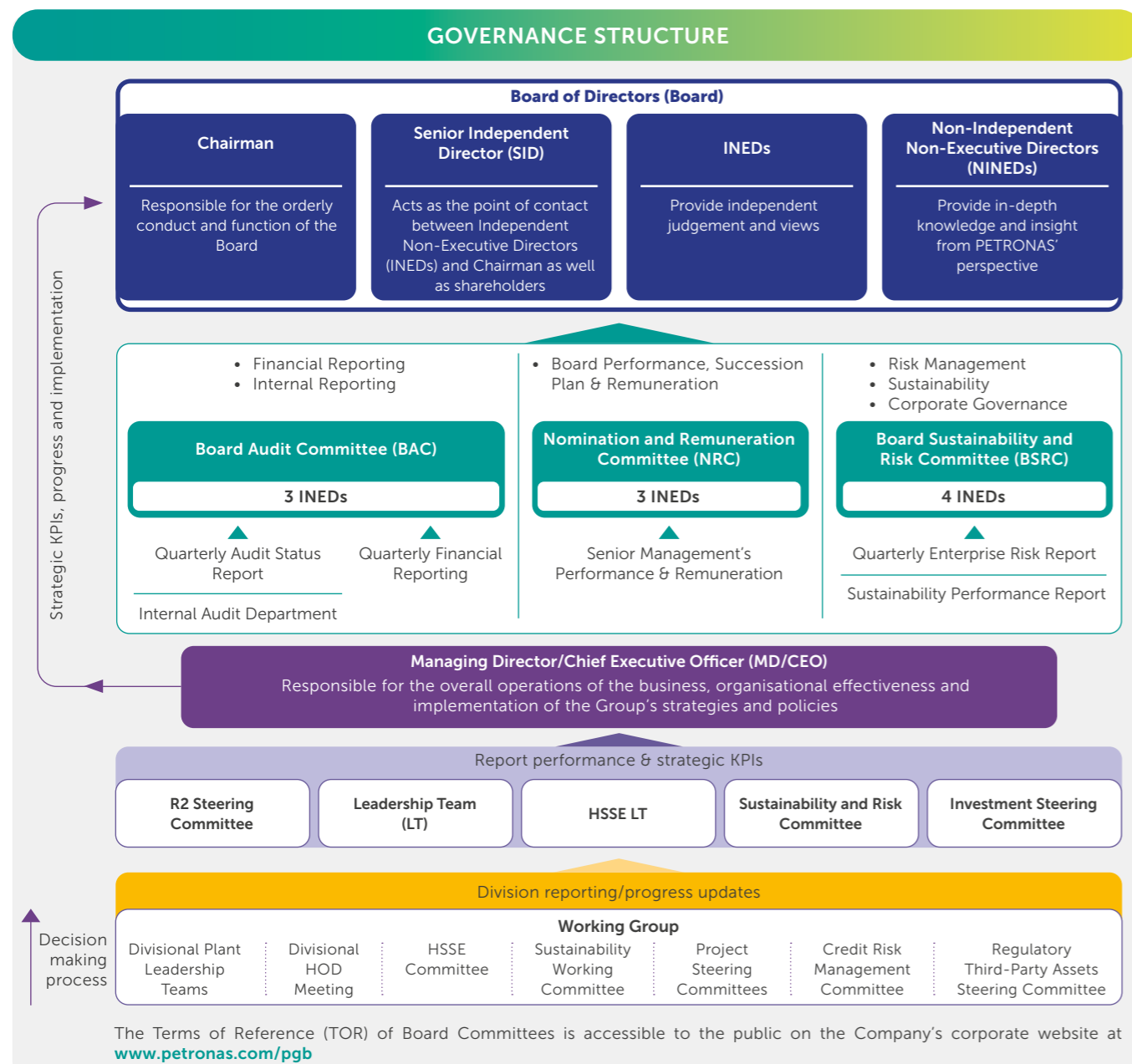
SUSTAINABILITY PRACTICES

SUSTAINABILITY GOVERNANCE AT PGB

PGB's leadership recognises that a robust sustainability framework is indispensable for the Group's businesses as it has material impact on our business strategy and performance as well as our ability to create long-term value. As such, our Leadership Team is ensuring focused sustainable practices and initiatives are being brought into play to bolster our business framework. This is all the more important amidst the existing and emerging headwinds of the ever-evolving market environment.

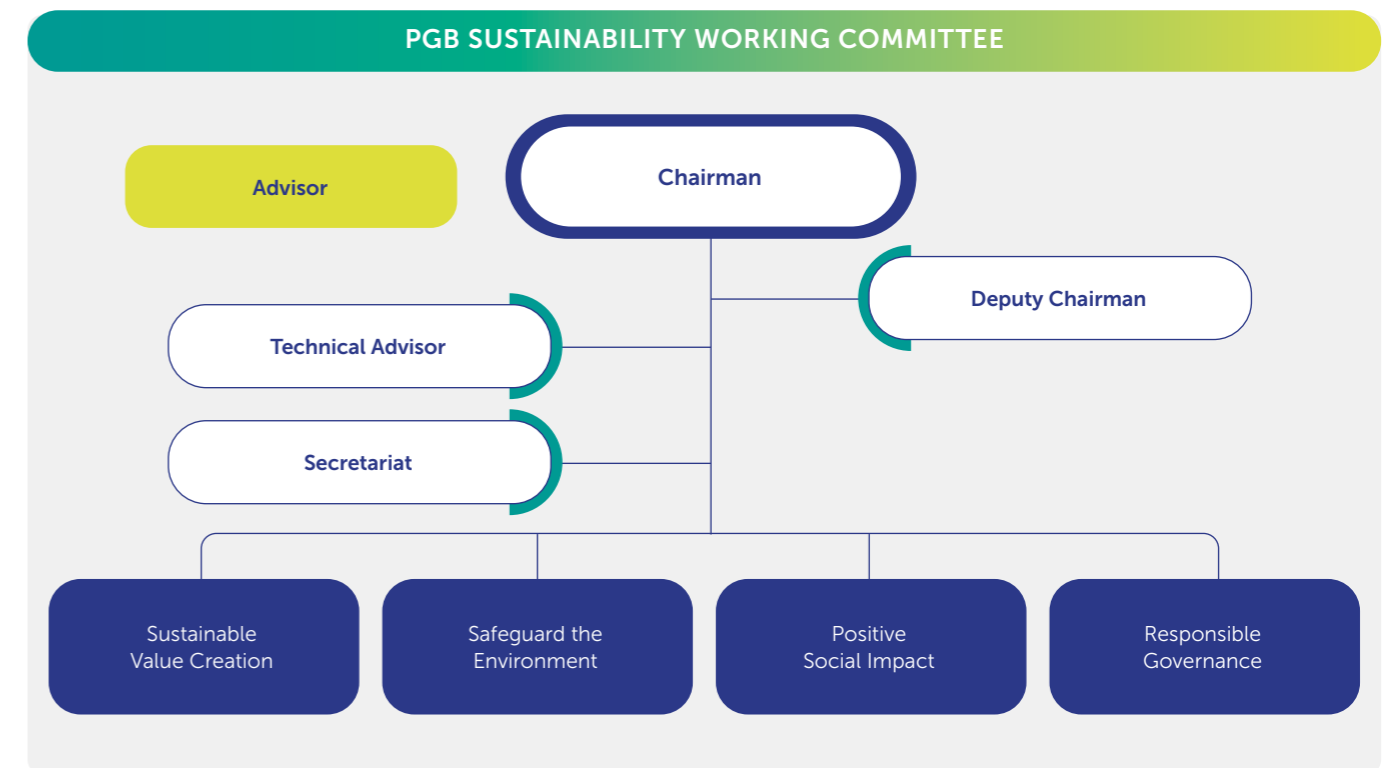
Sustainability Development Governance Structure

Today, PGB's Board Sustainability and Risk Committee (BSRC) is responsible for overseeing sustainability governance at PGB. Together, with the Sustainability Working Committee that comprises of different team members from various departments (i.e., Risk Management, Human Resource Management, Environment, HSSE, etc.) to review and implement the initiatives under the PGB Sustainability Blueprint. Both of the BSRC and SWC are to weigh up the Group's sustainability considerations and ascertain that all sustainability strategies, priorities and targets, as well as the performance against these targets, are communicated to internal and external stakeholders in a transparent manner.



SUSTAINABILITY PRACTICES

PGB's Sustainability Working Committee is tasked to keep a keen eye on the execution of approved sustainability initiatives under PGB's Sustainability Blueprint and Framework. By leveraging a robust sustainability governance mechanism and sound sustainability practices, they are ensuring that these initiatives will do much to secure PGB's future. In ensuring that sustainability issues are factored in across all our products and services, the committee holds monthly meetings to ensure sustainability is embedded into our value creation activities and ESG goals. The structure as well as roles and responsibilities of PGB's Sustainability Working Committee are outlined below. The Sustainability Working Committee in turn is monitored by a Risk Compliance Committee, chaired by the MD/CEO, with members comprising representatives from all the functions across the business units.



Investment Steering Committee

PGB's Investment Steering Committee was established in 2021 and is helmed by the MD/CEO. This committee is responsible for looking into investment-related matters, investment strategies and investment decisions on a monthly basis. As part of the investment guidelines, consideration is to be given to sustainability metrics such as carbon emissions, amongst other factors, when evaluating investment opportunities in addition to commercial and financial parameters. This will ensure more effective decision-making during the investment deliberation process.

The well-defined sustainability governance structure that has been implemented throughout PGB aims to ensure that all decisions are made in an equitable and balanced manner for the long-term, sustainable growth of the Group.

SUSTAINABILITY PRACTICES

OUR APPROACH TO SUSTAINABLE DEVELOPMENT

Our Sustainability Blueprint

The PGB Sustainability Blueprint has been established and approved in March 2023. The PGB Sustainability Blueprint covers sustainability goals, lenses, ambitions, result areas, initiatives, and targets. All of these are aligned with and support PETRONAS's Statement of Purpose, "A progressive energy and solutions partner, enriching lives for a sustainable future". Under the Sustainability blueprint we have implemented 14 sustainability-related initiatives in 2023, aligning to its respective lenses.



Aside from aligning our blueprint initiatives with the seven UNSDGs, we have also aligned them with international standards such as the GHG Protocol and Oil & Gas Methane Partnership (OGMP 2.0) Framework as well as the standards of the global rating agencies. On top of these, PGB's initiatives line up with PETRONAS' Net Zero Carbon Emissions by 2050 pathway and PETRONAS' Sustainability Agenda.

To ensure clear demarcation and objective execution of our sustainability endeavours, we have adopted the Four Sustainability Lenses as stated in the PETRONAS Sustainability Development Guidelines i.e., Sustainable Value Creation, Safeguard the Environment, Positive Social Impact and Responsible Governance. We have replaced "Continued Value Creation" with "Sustainable Value Creation" to better illustrate our long-term value creation efforts.

SUSTAINABILITY PRACTICES

PGB'S FOUR SUSTAINABILITY LENSES

- Sustainable Value Creation**
Stable profit generation underpinned by long term contracts, safe and reliable operations, and effective portfolio management.
- Safeguard the Environment**
Deploy innovative operations and technologies to safeguard the environment and pursue step out in lower carbon solutions.
- Positive Social Impact**
Protect and add value to the well-being of employees, partners and communities.
- Responsible Governance**
Uphold strong governance mechanisms and ethical business practices.

As the four lenses are interrelated to each other, we have identified four overriding ambitions that enable us to craft the focus areas and the relevant initiatives. PGB's four overriding ambitions are as follows:

- Grow profits through the current portfolio and new sustainable investments.
- Achieve net zero CO₂e by FY2050 and efficient management of pollution, waste and water.
- Zero major HSSE, human right and corruption cases.
- Full compliance with Task Force on Climate-Related Financial Disclosures (TCFD) by FY2024 and the attainment of a "4" or better rating on FTSE4Good Bursa Malaysia by FY2025.

OUR SUSTAINABILITY REPORTING PRACTICES

PGB's standalone Sustainability Report 2023 serves as a tool to highlight the key Value Creation and ESG initiatives undertaken by the Group for the year under review. It aims to communicate how we are progressively assessing and fine-tuning our sustainability agenda in order to achieve our business goals. It can be accessed in digital format on our corporate website at www.petronas.com/pgb/sustainability/reporting.

Our reporting practices are guided by local and international statutory and reporting frameworks, particularly Bursa Malaysia Securities Berhad's (Bursa Malaysia) Sustainability Reporting Guide (3rd Edition), as well as the updated FTSE4Good Bursa Malaysia Index's ESG indicators. We are also guided by the reporting requirements of organisations such as the International Petroleum Industry Environmental Conservation Associations' sustainability reporting guidance for the oil and gas industry (4th Edition, 2020) and the Global Reporting Initiative Universal Standards 2021.

TOWARDS SUSTAINABLE GROWTH

Even as the agenda of sustainability had gained more prominence and is now being embedded in greater measure within PGB, we have greater clarity on what we need to do as we set out to achieve sustainable business success and growth.

To augment our sustainability efforts and ensure a balanced business strategy is in place, we will leverage the PGB Sustainability Blueprint which addresses all the essential elements within PGB's four Sustainability Lenses. This blueprint provides the Group a holistic roadmap that points out how we are to achieve our sustainability ambitions.

As we venture forth to realise PGB's sustainability aspirations, our leadership will adopt a laser-focused approach and leverage the approved initiatives and milestones specified in the blueprint. Our goal is to embed effective sustainability practices and inculcate a robust sustainability culture across all our business operations. Once the fundamental building blocks are laid, we will focus on rolling out our sustainability programmes in the most efficient manner to achieve and sustain the set targets.

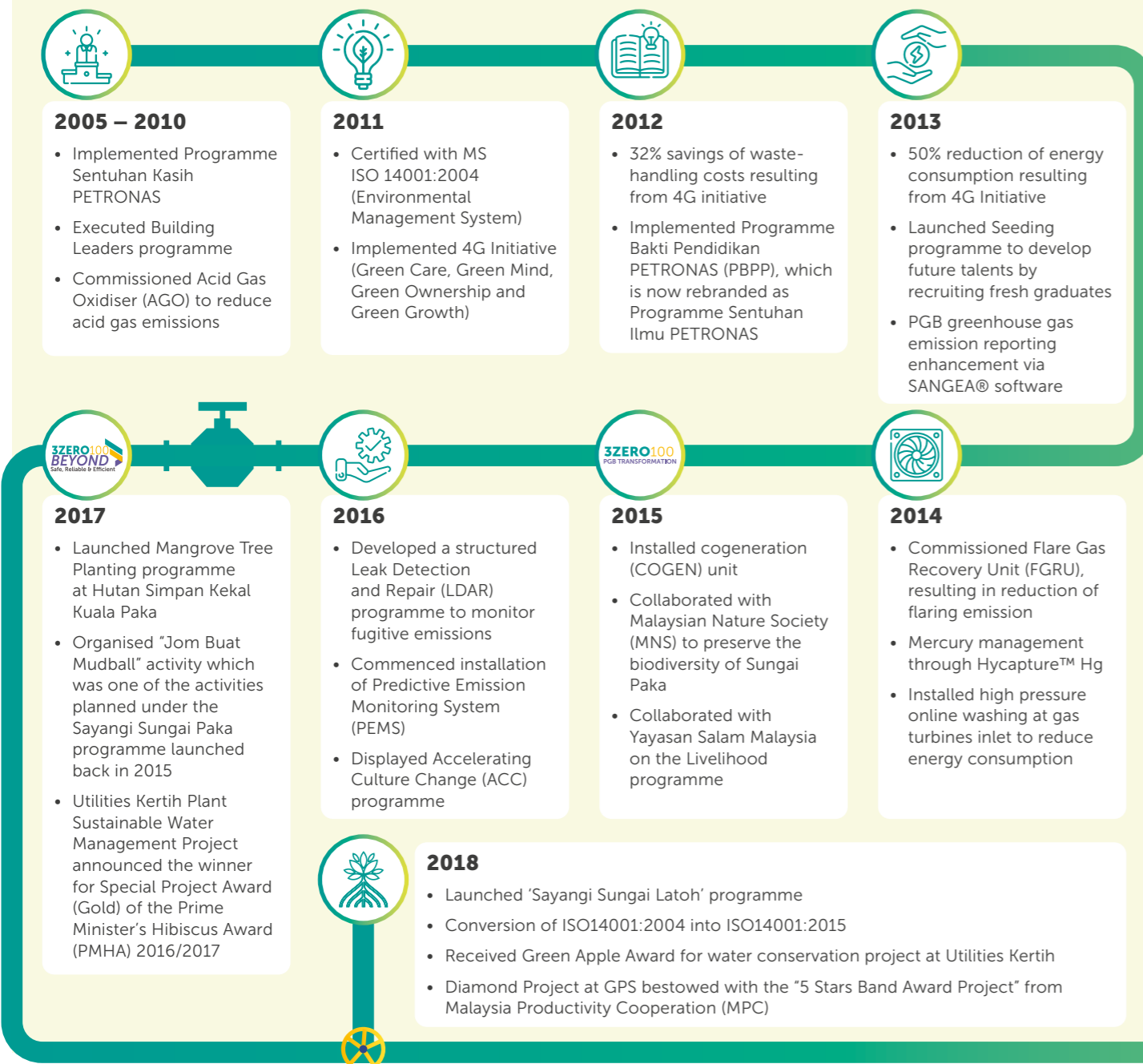
SUSTAINABILITY PRACTICES

While the pathway for our internal plan has been neatly laid out, we are mindful that there are still a host of external challenges from the dynamic environment that we operate in which need to be considered. In order for PGB to be able to manoeuvre through the complexities of the marketplace, we will ensure that our internal structure and capabilities across the organisation are adequately resourced and well-primed.

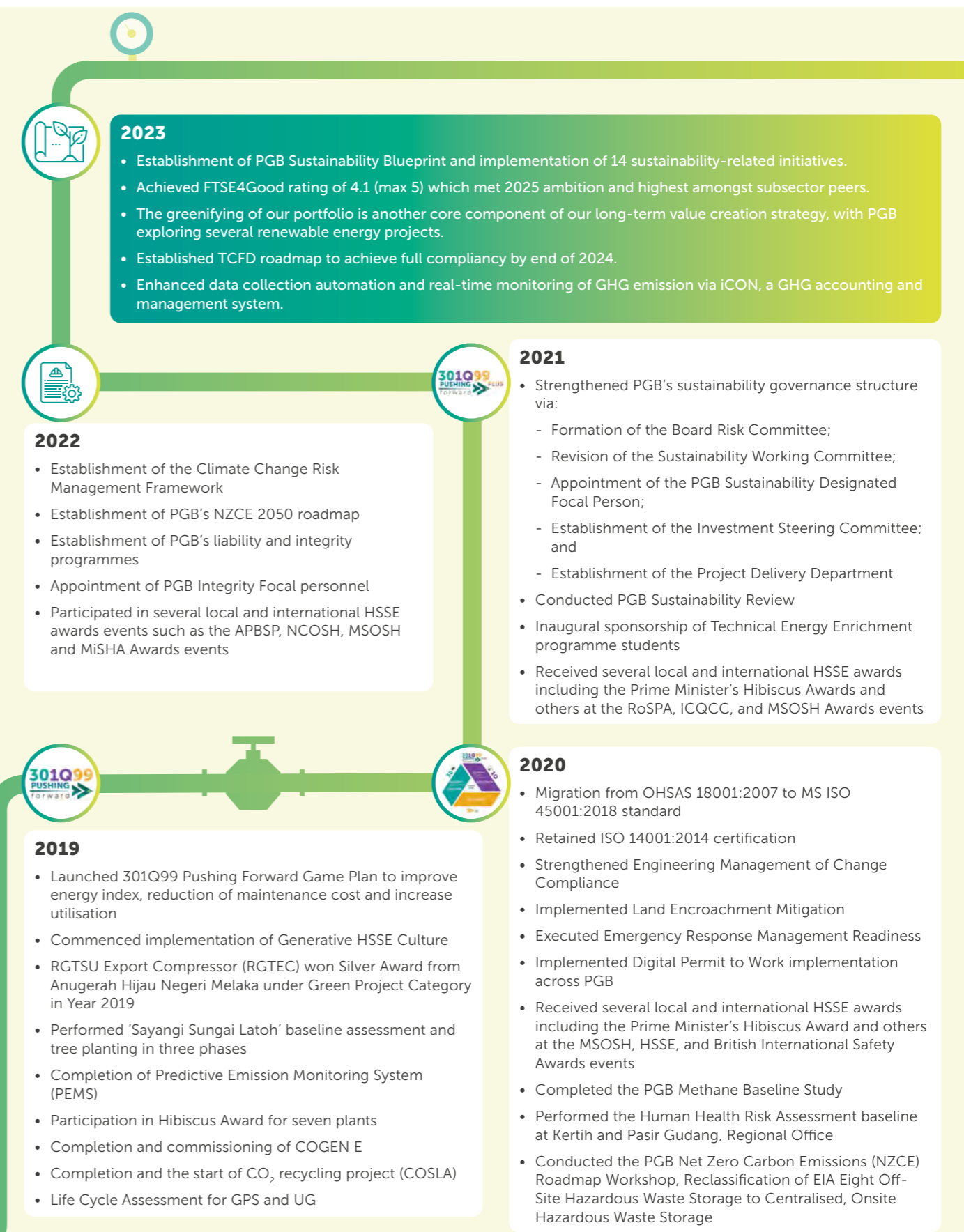
This will help us to address all risks and opportunities that may come our way in a timely and effective manner.

Moving forward, the agenda of sustainability will continue to serve as a central feature of our overall business strategy. We intend to make the best use of our existing sustainability initiatives and practices while remaining open and flexible to adopt new ones. This is all the more important given the uncertain, ever-evolving market landscape in which we operate. As we make the most of our value creation activities and good progress on the ESG fronts for the benefit of all, we remain confident of reinforcing PGBs' position as a model for responsible corporate behaviour.

SUSTAINABILITY KEY MILESTONES



SUSTAINABILITY PRACTICES



GROUP FINANCIAL REVIEW

GROUP FINANCIAL REVIEW

UPHOLDING FINANCIAL STRENGTH THROUGH OPERATIONAL EXCELLENCE AND STRATEGIC GROWTH

Dear Valued Shareholders,

In 2023, PGB demonstrated resilience to record a strong financial performance despite continuing to face external headwinds such as elevated fuel gas prices and a weakening Ringgit. Our steadfast commitment to operational excellence and delivering enhanced cost efficiencies played a vital role in mitigating the impact of these challenges.

DELIVERING COMMENDABLE FINANCIAL RESULTS

Group revenue increased by 4.6% or RM285.25 million, reaching RM6,445.42 million in 2023. This notable uptick was predominantly driven by the Utilities segment, which benefited from higher product prices in tandem with elevated fuel gas price due to an upward revision of Imbalance Cost Pass-Through (ICPT) tariff for the year.

The Group recorded a strong financial performance for the full year 2023 on the back of continued operational excellence and further supported by stronger margin from Utilities segment.

SHAHRUL AZHAM SUKAIMAN
Chief Financial Officer



However, gross profit experienced a decline of 2.6% or RM60.68 million during the year at RM2,287.01 million, with the contributions of our Gas Processing and Regasification segments contracting of elevated operating expenses, particularly depreciation costs. This was also compounded by lower revenue resulting from lower transportation and regasification tariffs under Regulatory Period 2 (RP2). The impact was partially offset by increased contributions from the Utilities segment, which saw higher revenue and enhanced margins in line with higher product prices and favourable ICPT tariff movement.

Our PBT meanwhile, improved by 5.1% or RM116.65 million, on the back of higher share of profit from joint venture companies, lower financing costs and lower impact from unfavourable foreign exchange movement following early settlement of a USD lease liability.

Profit for the period of RM1,901.04 million also increased in tandem with our higher PBT, rising by 8.1% or RM142.57 million. This upturn was further amplified by reduced tax expenses, most notably the absence of the Prosperity Tax imposed in FY2022.

Correspondingly, our EBITDA has increased by 0.7% or RM22.63 million to RM3,267.15 million in 2023, while earnings per share increased by 10.6%, indicative of the higher profits attributable to shareholders of the Company. Total assets declined marginally by 1.9% or RM369.12 million to RM19.32 billion, with cash and cash equivalents impacted by our early settlement of USD denominated long-term contract.

Backed by our improved performance over 2022, the Group has distributed four (4) single-tier interim dividends for the financial year 2023, amounting to 72.0 sen per share and surpassing

RM1.42 billion. This equates to a 78.3% payout ratio of the Group's net earnings in 2023, reaffirming our dedication to maintaining a robust level of returns to shareholders even as we navigate a challenging economic climate.

RESPONDING TO MARKET DYNAMICS

In 2023, we encountered familiar market challenges reminiscent of the previous year, with elevated gas prices impacting our costs for internal gas consumption and a weakening Ringgit increasing our exposure to currency exchange losses.

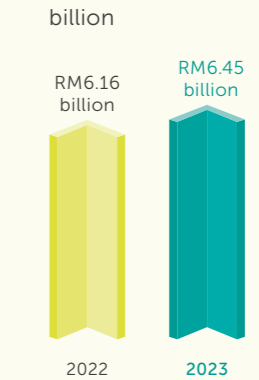
While gas prices eased early in the year, it remained above pre-2022 levels as geopolitical conflicts continue to place upward pressure on fuel costs. Although higher gas prices result in higher Utilities revenue from customers, electricity tariffs are set at par with TNB tariff to remain competitive. Additionally, with operating cost exposed to gas price fluctuations, our Utilities segment thus faces the most impact.

Despite the upward revision of ICPT tariff benefiting our utilities segment, internal gas consumption costs persisted at an elevated level across the Group. Mitigating this required consistent optimisation of our consumption of natural gas, coupled with simultaneous efforts to enhance cost efficiency in services and materials.

We also had to be proactive in addressing the freefalling Ringgit against the US dollar, which reached its lowest point in 25 years due to rising risk aversion amid escalating turmoil in the Middle East. Our successful early settlement of USD-denominated CAPEX hire fees, amounting to USD233.61 million, significantly reduced our exposure to forex movements, resulting in increased profits for the year and sustain dividend payouts to shareholders.

GROUP REVENUE

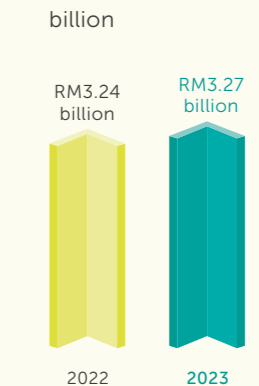
RM6.45
billion



increased by **4.6%**

EBITDA

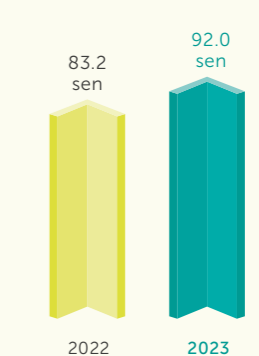
RM3.27
billion



increased by **0.7%**

EARNINGS PER SHARE

92.0
sen



increased by **10.6%**

GROUP FINANCIAL REVIEW

Early settlement of our long-term USD lease liability for floating storage units at Regasification Terminal Sungai Udang has served to significantly mitigate our forex exposure and increase profitability in 2023.

Moving forward, we will continue to mitigate the impact of upward pressures on operating costs by enhancing our commitment to cost discipline and internal efficiencies, leveraging on Group-wide experience and the expertise of our on-ground teams to uncover new solutions to minimise internal gas consumption and optimise operating costs.

SEGMENTAL PERFORMANCE AND OUTLOOK

In 2023, the Group's two regulated business segments i.e., our Gas Transportation and Regasification businesses, moved into the Regulatory Period 2 (RP2), which will run until 2025. Gas transportation revenue decreased by 2.1% or RM24.29 million as a result of lower RP2 transportation tariff, despite being cushioned by the introduction of the new compression tariff effective 1 January 2023. Profit was however comparable at RM562.22 million on lower revenue was partially offset by lower operating expenses, mainly due to lower internal gas consumption. Similarly, revenue from the Regasification segment also contracted by 4.2% in line with lower RP2 tariff, while overall profit was further impacted by depreciation expenses in tandem with higher capital expenditure.

It should be noted that the introduction of new revenue adjustments in RP2 will enable the recovery of certain costs related to asset value adjustments, foreign exchange losses and escalating Internal Gas Consumption prices, which will be reflected in the subsequent financial period.

We nevertheless remain wary of escalating operational costs and will actively engage with regulators to align expectations and enhance the financial positioning of our Gas Transportation and Regasification segments.

In the coming year, the newly completed 10km gas pipeline to Banting is anticipated to grow revenue in the Gas Transportation segment, while the Regasification segment has sanctioned one new project – a third LNG storage at Pengerang which is expected to contribute positively to the Group's annual PBT upon realisation.

As the Gas Processing segment concluded the final year of the Second Term of the GPA, revenue witnessed a 1.8% increase, amounting to RM31.41 million, primarily driven by

the attainment of higher performance incentives. However, profit margin dipped on the back of elevated operating expenses, particularly in the form of increased depreciation expenses following the completion of several capital projects.

The segment will move into the 3rd Term of the GPA next year, which runs from 2024 to 2028. With the five-year contract fixing the segment's base revenue based on the charge for reservation, our focus remains on optimising profitability by achieving the operational performance criteria to qualify for increased incentives.

In the Utilities segment, revenue demonstrated robust growth, surging by 18.4% or RM337.95 million mainly attributable to higher products prices in tandem with elevated fuel gas price supported by higher electricity tariff in line with upward revision of ICPT. The ICPT tariff stood at 20 sen/kwh in the initial six months of 2023 and 17 sen/kwh in the second half of the year, averaging 18.5 sen/kwh over the year – a substantial increase from the 3 sen/kwh average in 2022. Coupled with improved terms in contract renewals, the segment's profit experienced a significant boost, rising by 106.1% or RM149.67 million during the year.

In a favourable development that will support Utilities revenue in the coming year, the Suruhanjaya Tenaga announced in December that the current ICPT tariff will be maintained for the first half of 2024. Segment revenue will be further bolstered in line with the successful commissioning of a new facility at Utility Kertih (UK) in October 2023 to supply utilities to PCC Oxyalkylates Malaysia Sdn. Bhd. (PCCOM). In addition, a newly sanctioned Air Separation Unit (ASU) project at Pengerang, to harness cold energy utilisation from LNG at RGTP, is expected to contribute positively to the segment upon operation.

GAS TRANSPORTATION SEGMENT

Revenue
▶ **RM1,144.1** million

GAS PROCESSING SEGMENT

Revenue
▶ **RM1,778.2** million

REGASIFICATION SEGMENT

Revenue
▶ **RM1,352.3** million

UTILITIES SEGMENT

Revenue
▶ **RM2,170.8** million

SAFEGUARDING OUR FINANCIAL HEALTH

Throughout 2023, the Group relied on established strategies and adhered to the principles outlined in our Strategic Agenda to fortify our financial well-being.

Increasing Cost Efficiencies

The impact of economic headwinds and rising operational expenses across the Group in 2023 has prompted intensified efforts to optimise costs and bolster fiscal discipline across the Group. While our business model benefits from revenue stability in the form of long-term contracts, stringent measures are essential to control expenditure and mitigate costs that could compromise our margins.

A steadfast culture of cost discipline continues to be instilled in our day-to-day operations, leaving no avenue unexplored in the pursuit of optimising consumption and enhancing operational efficiencies. Over the past year, we focused on enhancing our preventive maintenance framework with the objective of extending the intervals for plant turnaround maintenance. This enables us to save on associated costs while maintaining robust safeguards against breakdowns and service disruptions that could otherwise escalate operating expenses.

We have simultaneously leveraged on digital transformation initiatives to achieve greater cost optimisation. The Unified Operational Centre (UOC) established in Segamat in 2022 utilises cutting-edge machine learning and technology to enhance the supply chain of our Gas Transportation and Regasification products. Since its inception, efficiencies from the UOC have generated an estimated RM11 million in value, while maintaining our Operational Performance at a world-class benchmark of 99.9% reliability.

GROUP FINANCIAL REVIEW

We continue to make targeted investments to our infrastructure to achieve our objectives, with a notable development in 2023 being the installation of new pipeline meters with greater accuracy in measuring utilisation, thereby optimising our cost per unit.

In 2023, PGB recorded a total capital expenditure (CAPEX) of RM1.22 billion. Looking ahead, our commitment remains a steadfast in concentrating efforts on advancing and implementing viable growth plans to secure a consistent level of returns of shareholders.

Optimised Capital and Cash Management

In a challenging operational landscape marked by escalating costs impacting our profitability, the Group's rigorous approach to adeptly managing its capital and fostering fiscal discipline remains pivotal in enhancing our financial resilience. We continually assess our funding requirements and financing strategies, aiming to optimise the capital structure and cost of capital as we stay mindful of adverse market conditions affecting both our regulated and unregulated businesses.

In 2023, the Group made significant progress in successfully negotiated early settlement of the USD-denominated CAPEX Hire fee for the provision of Floating Storage Units at Regasification Terminal Sungai Udang. This strategic prepayment has substantially reduced of the Group's foreign currency exposure, improving our earnings stability going forward.

During the year under review, the Group continued to utilise its RM1.30 billion financing facility with RHB Islamic Bank Berhad to fund its growth in the Gas Transportation business. As at 31 December 2023, the total amount drawn down increased to RM1.17 billion.



Gas Processing Santong

GROUP FINANCIAL REVIEW

As of 31 December 2023, the Group's gearing stood at 18.6% (inclusive of arrangements accounted for as leases under MFRS). With the concurrent generation of robust net cash inflows, our financial position remains robust, positioning us favourably to embark on new projects as opportunities arise. The Group is closely monitoring its total debt to total asset ratio to maintain a prudent level that optimises our capital structure and ensures ongoing compliance with covenants under our agreements.

The Group's cash and cash equivalents are held predominantly in In-House Accounts managed by PETRONAS Integrated Financial Shared Service Centre to enable more efficient cash management. At the conclusion of the financial year, cash and cash equivalents amounted to RM3.03 billion, marginally reduced owing to the early settlement of the aforementioned USD-denominated lease liability, but nevertheless retaining the Group's robust liquidity position.

The Group's fund investments activities are mostly managed by PETRONAS' Group Treasury, and comprises primarily of money market placements. These investments are managed in accordance with existing policies and guidelines that define the parameters within which the investment activities shall be undertaken in order to achieve the Group's investment objective of preserving capital and generating optimal returns within allowable risk parameters.

We will uphold a prudent capital management approach that strikes the right balance between investing to foster business growth, ensuring financial stability and distributing robust returns to our shareholders.

The Group remains committed to its dividend policy that stipulates a payout ratio of around 50% of the consolidated profit after tax and non-controlling interests, and has continued to surpass this threshold. Backed by our robust operational and financial performance, our payout ratios have consistently exceeded 70% over the past five years, underscoring our commitment to reward shareholder loyalty. In the coming year, the Group remains committed to ensuring a sustained level of returns to shareholders despite facing a more challenging operating environment.

Looking ahead, our capital management approach will remain prudent, as we strike the right balance between investing to foster business growth, ensuring continuous financial prudence and distributing robust returns to our shareholders.

PROACTIVELY MANAGING OUR FINANCIAL RISKS

As we confront persistent market volatility characterised by currency fluctuations and elevated fuel gas prices, our focus remains on mitigating the adverse effects of these and other factors. This involves adeptly adapting to market conditions to reduce our exposure, integrating strategic processes into our operations and enhancing our engagement with regulators to negotiate favourable contractual and regulatory terms.

Our prudent financial governance remains guided by the PETRONAS Financial Policy (PFP), supported by the PETRONAS Financial Standards (PFS), which outlines the principles and requirements that promote effective implementation of financial management including financial risk management practices. We constantly monitor, assess and review our risk profile to ensure robust risk management practices remain a fundamental component of our business.

Through the proactive management of the following risks, we aim to minimise the impact of external factors on our bottom line.

Market Risk

During the year under review, the Group faced market risks primarily related to foreign currency exchange rates and increasing costs for internal gas consumption driven by ongoing geopolitical instability.

In 2023, we demonstrated considerable agility and forward thinking to swiftly mitigate a significant portion of our exposure to currency market fluctuations by negotiating favourable terms for the early settlement of our long-term USD contract for floating storage units at RGTSU.

In further managing and counteracting the impact of rising gas costs, the Group has amplified its commitment to projects and initiatives aimed at optimising internal gas consumption and other operating expenses, leveraging on the expertise and experience of our on-ground teams to seek new solutions.

To facilitate hedging activities that address transactional exposure in the immediate term, the Group relies on the PETRONAS Group Treasury Division, which possesses in-house expertise in such transactions. All transactions entered into by the Group are non-speculative and comply with the PETRONAS Group-wide policies and guidelines.

GROUP FINANCIAL REVIEW



Gas Processing Santong

Credit Risk

The Group has continued to uphold stringent credit management processes and procedures, encompassing customer credit assessments, deliberations on credit limits and the establishment of collateral requirements to mitigate potential losses. These measures are in place to ensure our preparedness to accommodate new customers, including those arising from our growth projects, as well as potential new shippers and capacity users under Third Party Access.

Liquidity Risk

The Group's liquidity position remains robust, with substantial cash reserves and sufficient credit headroom. We uphold rigorous monitoring of both receivables and payables to further mitigate potential liquidity risk. Consequently, we maintain a strong liquidity position that empowers the Group to assuredly navigate the ongoing uncertain economic environment while remaining poised to capitalise on potential opportunities.

MOVING FORWARD

I believe that external forces notwithstanding, the fundamentals of our business and industry are in good health. With revenue steady due to stable long-term contracts, our success and profitability moving forward will rest on our ability to control and optimise our costs, while effectively mitigating our exposure to external market and geopolitical forces.

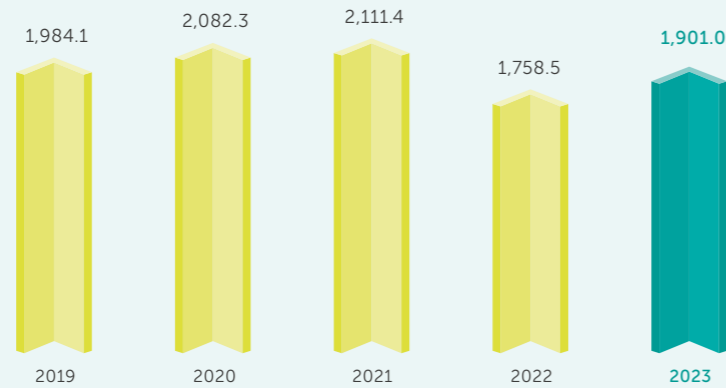
Guided by PGB's Strategic Agenda, our focus will remain on sustaining our operational, commercial and project excellence. Our ability to maintain plant reliability and equipment effectiveness is vital for us to reap the benefits of regulatory or contractual incentives tied to our performance. We must also develop stronger collaboration with our regulators and business partners, fostering a deeper mutual understanding of cost and operational impacts to maximise the value gained from the contracts and deals that we have entered into.

Despite the potential for market fluctuations, we remain optimistic of achieving healthy results in the upcoming year. Leveraging our expertise, committed team and financial strength, we remain focused on effectively mitigating external factors beyond our control while simultaneously unlocking greater internal efficiencies and seizing viable growth opportunities. We remain well-positioned to provide sustainable returns to our stakeholders over the long term.

SHAHRL AZHAM SUKAIMAN
Chief Financial Officer

5 YEARS GROUP FINANCIAL REVIEW

PROFIT AFTER TAX (RM million)



Analysis

2019

Achieved full commercial operations for Air Separation Unit project in Pengerang, Johor under Pengerang Gas Solutions Sdn. Bhd., a 51% joint venture of the Group.

Compared to 2018, profit was higher driven by higher share of profit from joint ventures, unrealised foreign exchange gains from translation of USD denominated lease liabilities and higher interest income from fund investment.

2020

Compared to 2019, profit was higher mainly driven by lower operating costs.

2021

Compared to 2020, profit was higher driven by stronger Utilities product margins coupled with new revenue stream from LNG ancillary services.

2022

Compared to 2021, profit was lower as a result of lower contribution from all segments following higher operating expenses, mainly fuel gas and internal gas consumption expenses in tandem with elevated of Malaysia Reference Price (MRP).

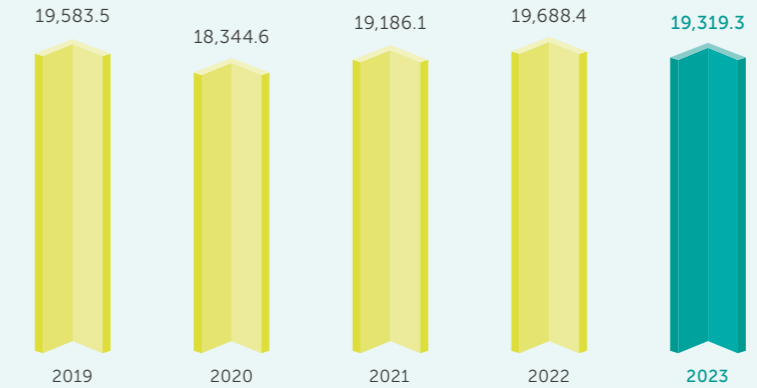
This was partly mitigated by the favourable impact of improved terms in the Utilities' revenue contract renewals which allow a more balanced cost pass-through to customers.

2023

Compared to 2022, profit was higher on the back of continued operational excellence and further supported by stronger margin from Utilities segment as well as higher contribution from joint venture companies.

5 YEARS GROUP FINANCIAL REVIEW

TOTAL ASSETS (RM million)



Analysis

Item	2019	2020	2021	2022	2023
Property, plant and equipment	13,246.5	13,216.2	13,272.4	13,408.4	13,630.5
Fixed assets	12,355.3	11,856.0	11,481.9	11,435.0	11,446.9
Project-in-progress	891.2	1,360.2	1,790.5	1,973.4	2,183.6
Trade and other receivables	954.9	744.5	889.6	990.0	926.6
Cash and cash equivalents	4,021.7	3,138.9	3,782.5	4,026.2	3,027.9

2019

Compared to 2018, total assets grew by 7% mainly contributed by higher PPE balance following adoption of MFRS 16 Leases which resulted in recognition of right-of-use assets effective 1 January 2019 and higher cash and cash equivalents generated from operating activities.

2020

Compared to 2019, total assets were lower by 6% largely attributable to lower cash and cash equivalents following higher dividends paid.

2021

Compared to 2020, total assets increased due to higher cash balances contributed by cash generated from operations, amidst lower cash used from financing activities.

2022

Compared to 2021, total assets increased due to higher cash balances contributed by cash generated from operations, higher PPE balances in tandem with higher spending on capital expenditure for new projects and higher receivables balances in line with higher revenue.

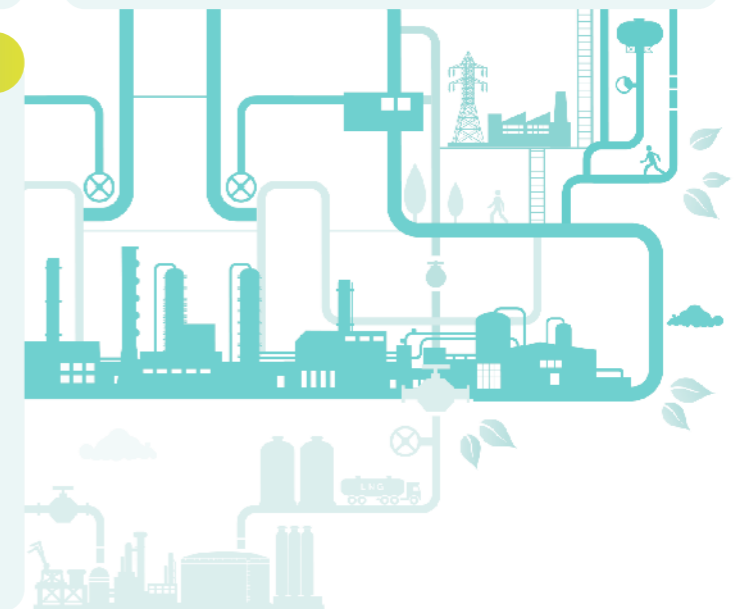
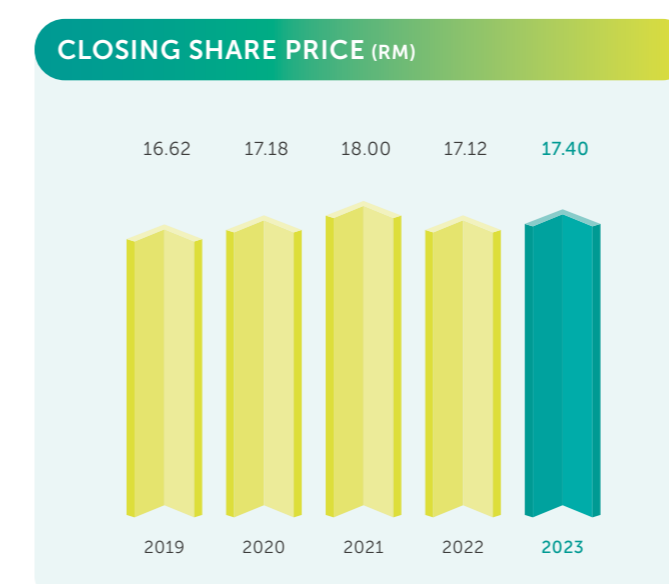
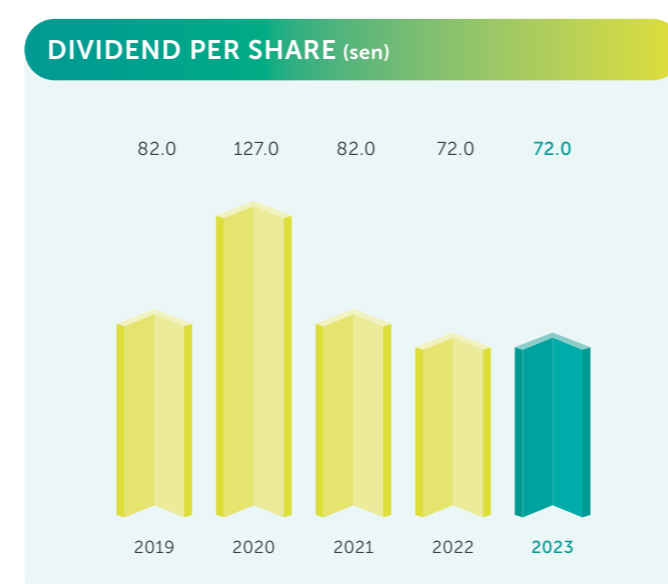
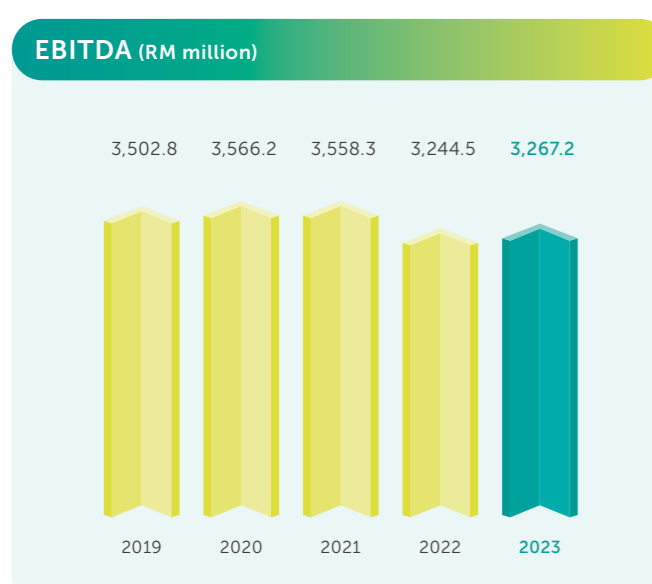
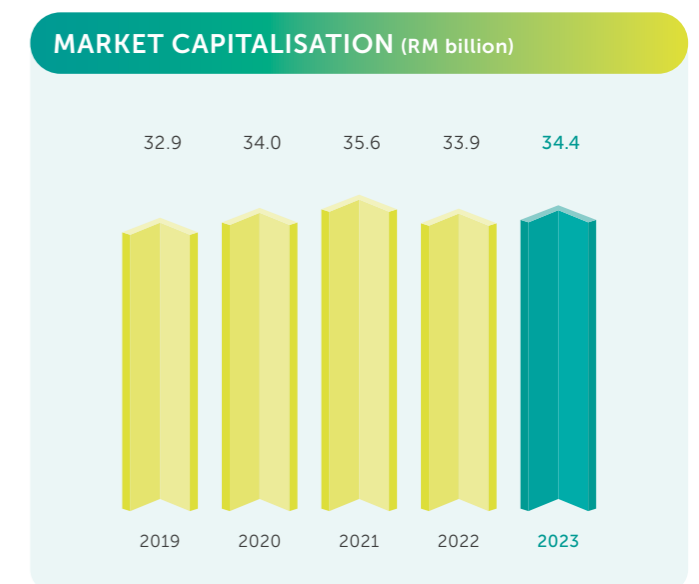
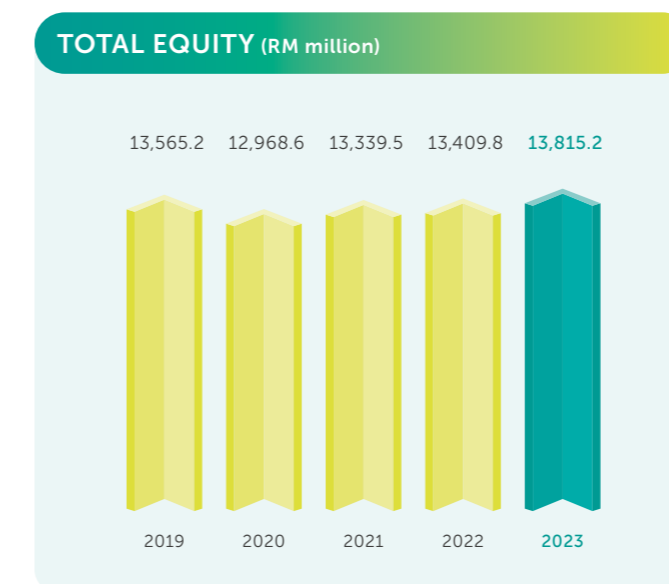
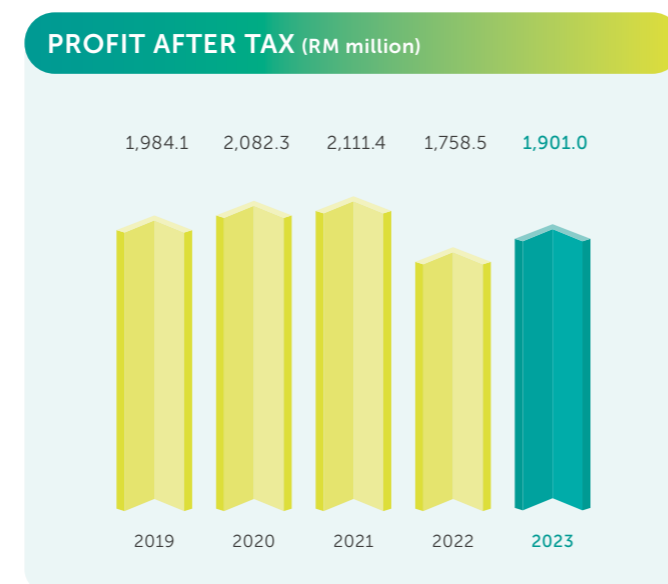
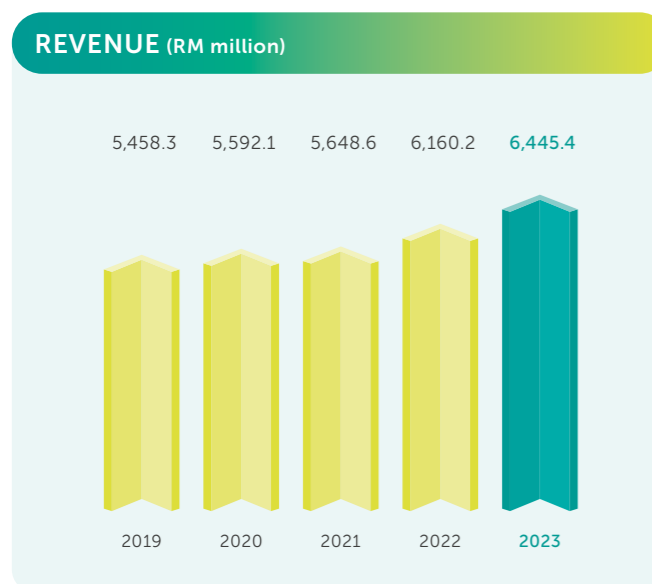
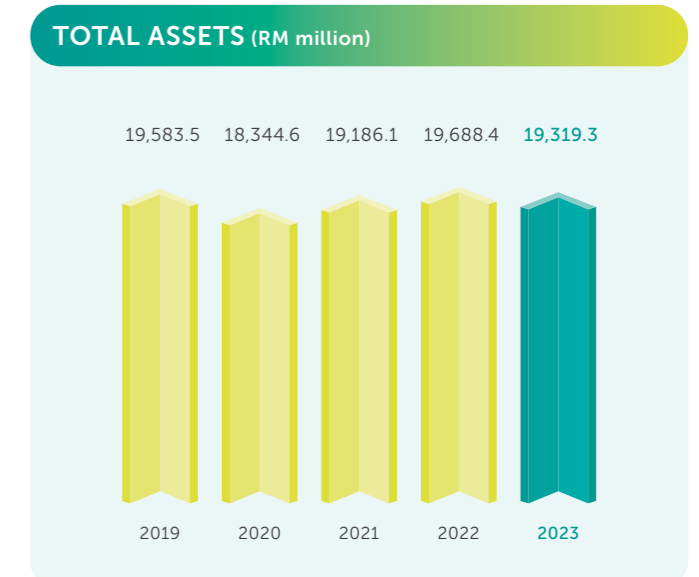
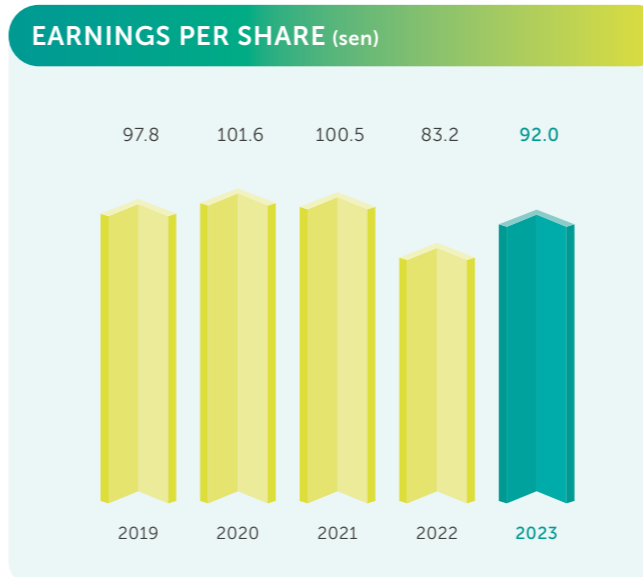
2023

Compared to 2022, total assets decreased due to lower cash balance as a result of early settlement of a lease liability, partially offset by higher property, plant and equipment balances and investments in joint ventures balances in tandem with higher capital expenditure and share of profit respectively.

5 YEARS GROUP FINANCIAL SUMMARY

Year	2019	2020	2021	2022	2023
Revenue (RM million)	5,458.3	5,592.1	5,648.6	6,160.2	6,445.4
Profit after tax (RM million)	1,984.1	2,082.3	2,111.4	1,758.5	1,901.0
EBITDA (RM million)	3,502.8	3,566.2	3,558.3	3,244.5	3,267.2
Dividend per share (sen)	82.0	127.0	82.0	72.0	72.0
Earnings per share (sen)	97.8	101.6	100.5	83.2	92.0
Total assets (RM million)	19,583.5	18,344.6	19,186.1	19,688.4	19,319.3
Total equity (RM million)	13,565.2	12,968.6	13,339.5	13,409.8	13,815.2
Market capitalisation (RM billion)	32.9	34.0	35.6	33.9	34.4
Closing share price (RM)	16.62	17.18	18.00	17.12	17.40

5 YEARS GROUP FINANCIAL SUMMARY



5 YEARS GROUP FINANCIAL INFORMATION

Year	2019	2020	2021	2022	2023
Key results (RM million)					
Revenue	5,458.3	5,592.1	5,648.6	6,160.2	6,445.4
By segment :					
Gas Processing	1,702.3	1,710.7	1,719.8	1,746.8	1,778.2
Gas Transportation	1,152.5	1,172.9	1,169.9	1,168.4	1,144.1
Regasification	1,237.9	1,400.0	1,413.5	1,412.1	1,352.3
Utilities	1,365.6	1,308.5	1,345.4	1,832.9	2,170.8
By geography :					
Peninsular Malaysia	5,410.3	5,581.1	5,641.0	6,152.6	6,443.3
Sabah and Sarawak	48.0	11.0	7.6	7.6	2.1
Interest income	154.2	120.9	84.3	120.2	149.2
Cost of revenue	3,071.2	2,935.7	2,928.8	3,812.5	4,158.4
By segment :					
Gas Processing	885.8	766.1	783.3	854.4	981.7
Gas Transportation	353.0	378.0	471.3	605.1	581.9
Regasification	626.9	686.9	602.5	661.2	714.7
Utilities	1,205.5	1,104.7	1,071.7	1,691.8	1,880.1
Financing costs	229.7	219.8	175.0	178.4	126.8
Administration expenses	94.8	125.4	132.0	113.5	131.1
Operating profit	2,555.9	2,670.2	2,659.5	2,320.1	2,273.7
Earnings before interests, taxes, depreciation and amortisation	3,502.8	3,566.2	3,558.3	3,244.5	3,267.2
Profit before taxation	2,462.9	2,610.2	2,641.7	2,269.4	2,386.0
Profit after taxation	1,984.1	2,082.3	2,111.4	1,758.5	1,901.0
Profit attributable to shareholders of the company	1,935.3	2,009.6	1,988.9	1,645.4	1,819.6
Key statement of financial position (RM million)					
Property, plant and equipment	13,246.5	13,216.2	13,272.4	13,408.4	13,630.5
Cash and cash equivalents	4,021.7	3,138.9	3,782.5	4,026.2	3,027.9
Total assets	19,583.5	18,344.6	19,186.1	19,688.4	19,319.3
Borrowings	3,898.9	3,279.4	3,447.1	3,835.7	3,152.5
Total liabilities	6,018.3	5,376.1	5,846.6	6,278.6	5,504.1
Share capital	3,165.2	3,165.2	3,165.2	3,165.2	3,165.2
Reserves	10,080.2	9,469.6	9,933.4	9,982.9	10,389.9
Total equity attributable to shareholders of the company	13,245.4	12,634.8	13,098.6	13,148.1	13,555.1
Non-controlling interests	319.8	333.8	240.9	261.7	260.1
Total equity	13,565.2	12,968.6	13,339.5	13,409.8	13,815.2
Share information					
Earnings per share (sen)	97.8	101.6	100.5	83.2	92.0
Dividend per share (sen)	82.0	127.0	82.0	72.0	72.0
Net assets per share (RM)	6.69	6.39	6.62	6.64	6.85
Closing share price (RM)	16.62	17.18	18.00	17.12	17.40
Number of ordinary shares ('000)	1,978,732	1,978,732	1,978,732	1,978,732	1,978,732
Market capitalisation (RM billion)	32.9	34.0	35.6	33.9	34.4

GROUP QUARTERLY PERFORMANCE

2023					
In RM million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2023
Operating revenue	1,674.9	1,637.4	1,550.3	1,582.8	6,445.4
Operating profit	555.4	616.0	575.7	526.6	2,273.7
Profit before taxation	556.9	626.1	594.5	608.5	2,386.0
Profit after taxation	448.3	496.0	491.1	465.6	1,901.0
Profit attributable to shareholders of the company	424.2	485.4	468.4	441.6	1,819.6
Earnings per share (sen)	21.5	24.5	23.7	22.3	92.0
Dividend per share (sen)	16.0	16.0	18.0	22.0	72.0

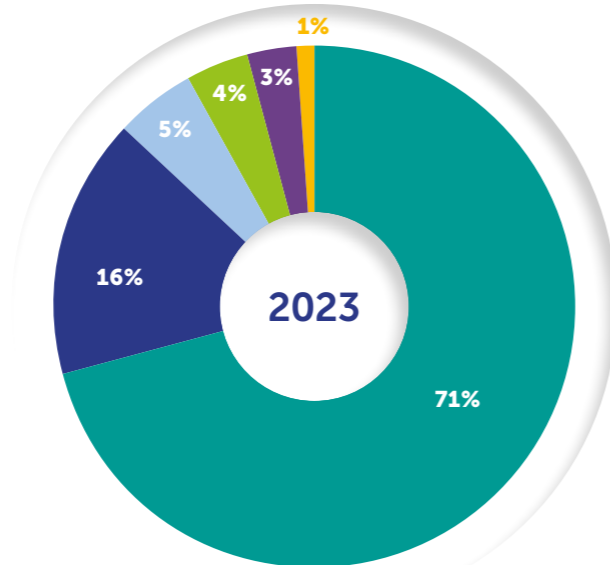
2022					
In RM million	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year 2022
Operating revenue	1,457.9	1,504.6	1,564.8	1,632.9	6,160.2
Operating profit	599.5	572.0	592.3	556.3	2,320.1
Profit before taxation	588.3	558.3	595.3	527.5	2,269.4
Profit after taxation	437.6	415.5	443.3	462.1	1,758.5
Profit attributable to shareholders of the company	410.6	396.5	425.8	412.5	1,645.4
Earnings per share (sen)	20.8	20.0	21.5	20.9	83.2
Dividend per share (sen)	16.0	16.0	18.0	22.0	72.0

SIMPLIFIED GROUP STATEMENT OF FINANCIAL POSITION

TOTAL ASSETS

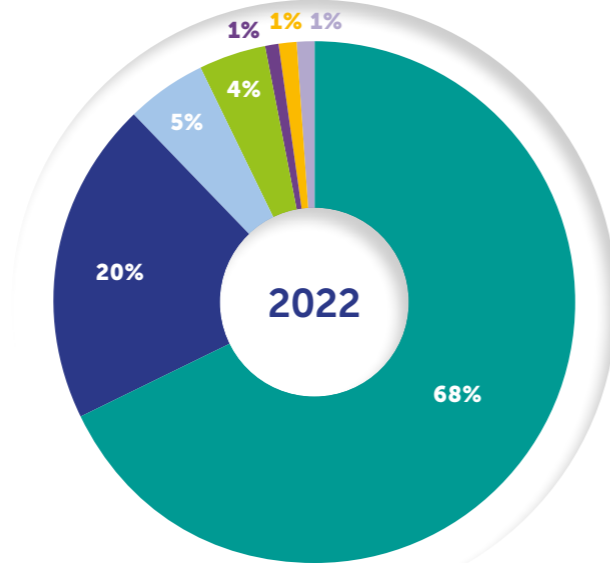
2023
RM19.32 BILLION

Property, Plant and Equipment	71%	●
Cash and Cash Equivalents	16%	●
Trade and Other Receivables	5%	●
Investment in Joint ventures	4%	●
Other Investment	3%	●
Investment in Associate	1%	●
Deferred Tax Assets	0%	
Long-term Receivables	0%	
Trade and Other Inventories	0%	
Tax Recoverable	0%	



2022
RM19.69 BILLION

Property, Plant and Equipment	68%	●
Cash and Cash Equivalents	20%	●
Trade and Other Receivables	5%	●
Investment in Joint ventures	4%	●
Deferred Tax Assets	1%	●
Investment in Associate	1%	●
Long-term Receivables	1%	●
Trade and Other Inventories	0%	
Tax Recoverable	0%	

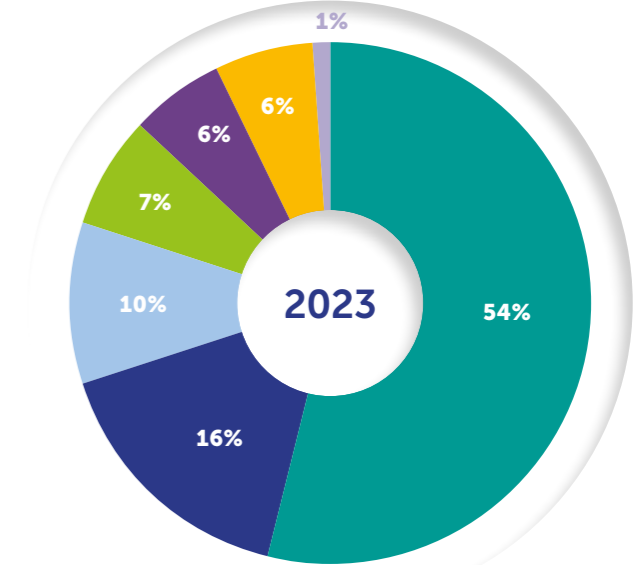


SIMPLIFIED GROUP STATEMENT OF FINANCIAL POSITION

TOTAL EQUITY & LIABILITIES

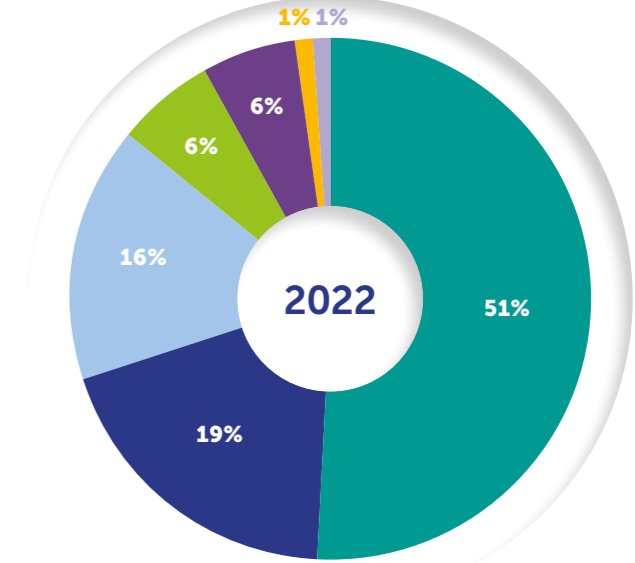
2023
RM19.32 BILLION

Reserves	54%	●
Share Capital	16%	●
Non-current Borrowings	10%	●
Current Borrowings	7%	●
Deferred Tax Liabilities	6%	●
Trade and Other Payables	6%	●
Non-controlling Interests	1%	●
Deferred Income	0%	
Taxation	0%	
Provisions	0%	



2022
RM19.69 BILLION

Reserves	51%	●
Non-current Borrowings	19%	●
Share Capital	16%	●
Deferred Tax Liabilities	6%	●
Trade and Other Payables	6%	●
Non-controlling Interest	1%	●
Current Borrowings	1%	●
Deferred Income	0%	
Taxation	0%	
Provisions	0%	



KEY INTEREST BEARING ASSETS AND LIABILITIES

	2022			2023		
	As at 31 Dec	Effective Interest Rate	Interest Income/ (Expenses)	As at 31 Dec	Effective Interest Rate	Interest Income/ (Expenses)
	RM Mil	%	RM Mil	RM Mil	%	RM Mil
Interest earning assets						
Cash and cash equivalents	4,026.2	2.1-2.4	108.3	3,027.9	2.7-3.7	139.6
Term loans due from a joint venture	181.6	5.5	11.9	128.2	5.5	9.6
Interest bearing liabilities						
Islamic financing facilities*	2,362.7	2.1-3.6	(65.2)	2,564.4	2.2-4.2	(90.2)
Finance lease liabilities*	1,473.0	8.1-9.1	(131.3)	588.1	8.1-8.4	(81.9)

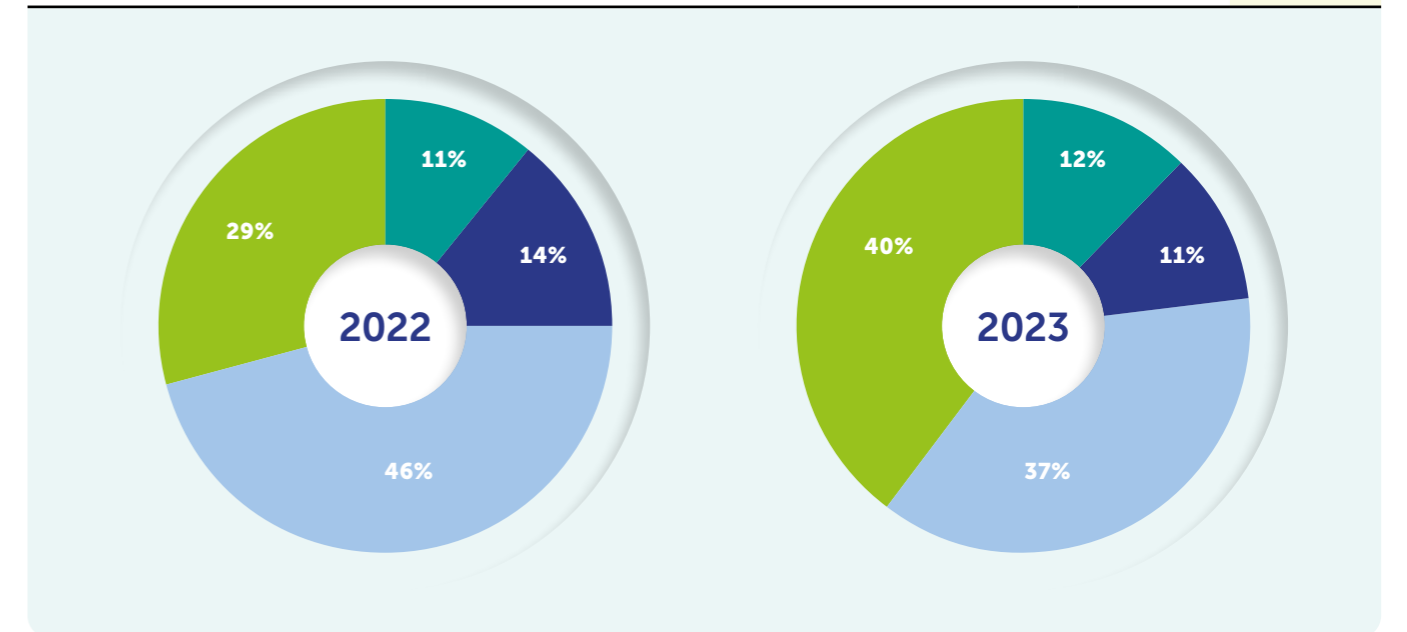
* Part of interest expenses are being capitalised as part of projects-in-progress

STATEMENT OF VALUE ADDED

	2022 RM Mil	2023 RM Mil
Revenue	6,160.2	6,445.4
Purchase of goods and services	(2,457.0)	(2,644.8)
Value added by the Group	3,703.2	3,800.6
Other income and expenses	85.9	117.8
Financing costs	(178.4)	(126.8)
Share of profit after tax of equity-accounted joint ventures and associate	127.7	239.1
Value added available for distribution	3,738.4	4,030.7

DISTRIBUTION OF VALUE ADDED

	2022 RM Mil	2023 RM Mil
To employees		
Employment costs	416.8	493.4
To government		
Taxation	511.4	441.3
To shareholders		
Dividends	1,622.6	1,424.7
Non-controlling interest	113.0	81.4
Retained for reinvestment and future growth		
Depreciation and amortisation	1,052.2	1,151.3
Deferred tax (income)/expense	(0.5)	43.7
Retained profit	22.9	394.9
	3,738.4	4,030.7



INVESTOR RELATIONS

Our annual investor relations programme underscores our commitment to frequent and transparent communication with our stakeholders, featuring a comprehensive calendar of engagement activities held throughout the year. All sessions are led by designated spokespersons, namely our MD/CEO, CFO, Head of Investor Relations and other management personnel where applicable.

Our announcements and engagement sessions are vital platforms to keep investors and other stakeholders apprised of our performance, strategies and objectives, while simultaneously enabling us to understand and address their expectations. We have thus continued to leverage on a mix of physical events and virtual platforms to ensure our activities remain accessible to relevant parties.

We conducted our 40th Annual General meeting (AGM) via livestream from Kuala Lumpur Convention Centre on 11 May 2023, with a virtual press conference held thereafter. In continuing to leverage on this virtual format for our AGM, now in its fourth year, we are pleased to see a steady upward trend in participation. A total of 833 shareholders were logged in via the Remote Participation and Voting (RPV) platform at the commencement of meeting, and a total of 2,146 shareholders participated at any one point in the meeting. All proposed resolutions were duly passed during the AGM, and minutes of the meeting, together with answers to shareholders' queries, were published accordingly on our website.

A total of **833** shareholders were logged in via the Remote Participation and Voting platform



Quarterly results announcements for 2023 were issued in a timely manner to Bursa Malaysia in alignment with the Main Market Listing Requirements and the Malaysian Code of Corporate Governance 2021. These were complemented by analyst briefings held via virtual webcasts and conference calls to facilitate participation from our multinational audience. All financial results, press statements, session recordings and other relevant updates were made readily available on our website for ease of reference.



We have also continued to facilitate physical engagement with our investors, with four investor conferences and two investor site visits undertaken in 2023. Two of these events were undertaken in collaboration with CGS-CIMB, namely the CGS-CIMB 15th Annual Malaysia Virtual Corporate Day 2023 in January, and the CGS-CIMB Environmental, Social, and Governance (ESG) and Sustainability Conference in October.

Through the comprehensive suite of investor relations activities held during 2023, we were able to delve meaningfully into the various aspects of our ongoing performance, keeping investors updated on the challenges and opportunities present in the market landscape, the external factors impacting our operating environment, as well as our strategies and plans to drive business stability and growth. In a climate of increasing focus on sustainability, we also leveraged these sessions to communicate our sustainability goals and strategies, along with the efforts being undertaken to enhance our practices.

We remain committed to providing stakeholders with full accessibility to our performance and results, with all company information made available at www.petronas.com/pgb. For specific investor related queries and feedback, we can be reached at ir.petronasgas@petronas.com.

INVESTOR RELATIONS

INVESTOR RELATIONS ACTIVITIES

QUARTERLY RESULTS ANNOUNCEMENTS:

	Announcement Date	Briefing Date	Type of Meeting
Quarter 1	22 May 2023	22 May 2023	
Quarter 2	25 Aug 2023	25 Aug 2023	Webcast and Conference Call
Quarter 3	20 Nov 2023	20 Nov 2023	
Quarter 4	27 Feb 2024	27 Feb 2024	

INVESTOR CONFERENCE:

Date	Event	Location
4-6 Jan 2023	CGS-CIMB 15th Annual Malaysia Virtual Corporate Day 2023	Kuala Lumpur, Malaysia
27 Jan 2023	PGB Briefing Session on Regulatory Period 2 (RP2) Tariff	Kuala Lumpur, Malaysia
8-9 Jun 2023	Sabah Oil and Gas Conference Exhibition (SOGCE) 2023	Kota Kinabalu, Sabah
17 Oct 2023	CGS-CIMB Environmental, Social, and Governance (ESG) and Sustainability Conference	Kuala Lumpur, Malaysia

INVESTOR SITE VISIT:

Date	Event	Location
7 Jun 2023	CLSA Visits to Kimanis Power Sdn. Bhd.	Kimanis, Sabah
5 July 2023	BIMB Securities) Visit to PETRONAS Gas Control Centre (PGCC) and Unified Operation Centre (UOC)	Segamat, Johor

ANNUAL GENERAL MEETING:

40th

Annual General Meeting

Thursday, 11 May 2023

Live Streaming from Kuala Lumpur Convention Centre, Kuala Lumpur

Shareholders and Representatives:

833 participated via Remote Participation and Voting (RPV) platform at the commencement of meeting

2,146 participated at any point of time in the meeting

Number of Sessions for Capital Market Engagement
71
2022: 75

INVESTOR RELATIONS

2023 SIGNIFICANT ANNOUNCEMENTS

9 February

Kejuruteraan Asastera Bhd (KAB) and Petronas Gas Bhd have entered into a joint venture to co-own and undertake a RM230 million power plant project in Sabah which will be the sole energy supplier to Petronas' nearshore floating liquified natural gas facility.

KAB
Announcement/
Press release



16 February

Quarterly report on consolidated results for the financial period ended 31 Dec 2022.

BURSA
Announcement



22 May

Quarterly report on consolidated results for the financial period ended 31 Mar 2023.

BURSA
Announcement



PGB announced the new RP2 tariff was approved and will be effective 1 January 2023. A separate tariff for high-pressure gas delivery tariff for the Peninsular Gas Utilisation (PGU) pipeline network.

Quarterly
Analyst Briefing



23 May

PGB announced repayment of capex hire fee under the time charter parties (TCPs) between Regas Terminal (Sg. Udang) Sdn. Bhd. (RGTSU) and Gas Asia Terminal (L) Pte. Ltd. (GATL).

BURSA
Announcement



9 June

Menteri Besar Terengganu (Incorporated) (MBI) and PGB have inked a Memorandum of Understanding (MoU) to explore potential collaborations pertaining to the proposed development of a mini hydro power plant and management for terminal operations and maintenance in Terengganu.

MBI Terengganu
Announcement/
Press release



25 August

Quarterly report on consolidated results for the financial period ended 30 Jun 2023.

BURSA
Announcement



6 November

Kinergy Advancement Berhad has been awarded a contract by Pengerang LNG (Two), a subsidiary of Petronas Gas Berhad to supply utilities expansion and infrastructure enhancement of 137,000m³ of Liquefied Natural Gas Carriers into a Floating Storage Unit transformation.

KAB
Announcement/
Press release



20 November

Quarterly report on consolidated results for the financial period ended 30 Sep 2023.

BURSA
Announcement



FINANCIAL CALENDAR

2023

16 February

Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2022

20 June

Date of payment of the first interim dividend for the financial year ended 31 December 2023

24 February

Announcement of the audited financial statements for the financial year ended 31 December 2022

25 August

Announcement of the unaudited consolidated results for the 2nd quarter ended 30 June 2023

15 March

Date of payment of the fourth interim dividend for the financial year ended 31 December 2022

22 September

Date of payment of the second interim dividend for the financial year ended 31 December 2023

11 April

Date of Notice of 40th Annual General Meeting and date of issuance of Integrated Report 2022

20 November

Announcement of the unaudited consolidated results for the 3rd quarter ended 30 September 2023

11 May

40th Annual General Meeting

15 December

Date of payment of the third interim dividend for the financial year ended 31 December 2023

22 May

Announcement of the unaudited consolidated results for the 1st quarter ended 31 March 2023

2024

27 February

Announcement of the unaudited consolidated results for the 4th quarter ended 31 December 2023

25 March

Date of payment of the fourth interim dividend for the financial year ended 31 December 2023

29 February

Announcement of the audited financial statements for the financial year ended 31 December 2023

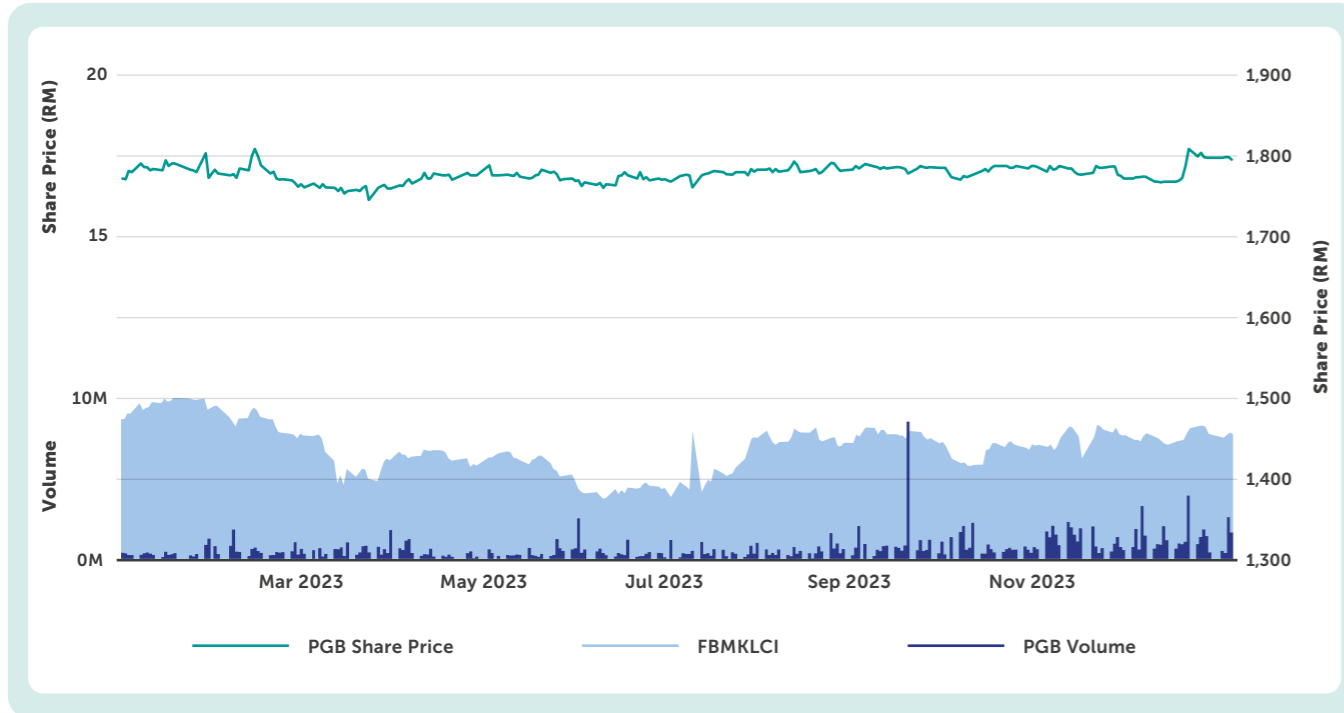
23 April

41st Annual General Meeting

22 March

Date of Notice of 41st Annual General Meeting and date of issuance of Integrated Report 2023

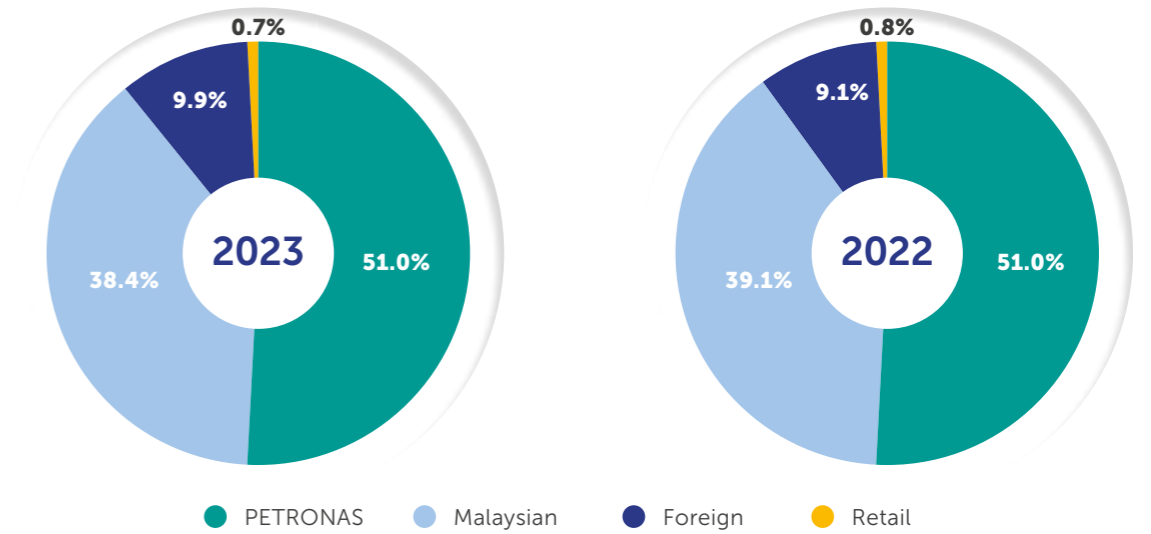
SHARE PRICE PERFORMANCE



SHARE PRICE PERFORMANCE

SHAREHOLDING

BY INSTITUTION



INVESTOR RELATIONS ACTIVITIES

OPENING RM 16.80 <small>2022: RM17.22</small>	CLOSING RM 17.40 <small>2022: RM17.12</small>	PEAK RM 17.74 <small>2022: RM17.70</small>
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EARNINGS PER SHARE
91.96 sen
2022: 83.16 sen

DIVIDEND PER SHARE
72 sen
2022: 72 sen

MARKET CAPITALISATION
RM**34.43 billion**
2022: RM33.88 billion

AVERAGE DAILY TRADED VOLUME (ADTV)
699,378
2022: 655,178

DIVIDEND

1st Interim 16 sen <small>20 Jun 2023</small>	2nd Interim 16 sen <small>22 Sep 2023</small>	3rd Interim 18 sen <small>15 Dec 2023</small>	4th Interim 22 sen <small>25 Mar 2024</small>
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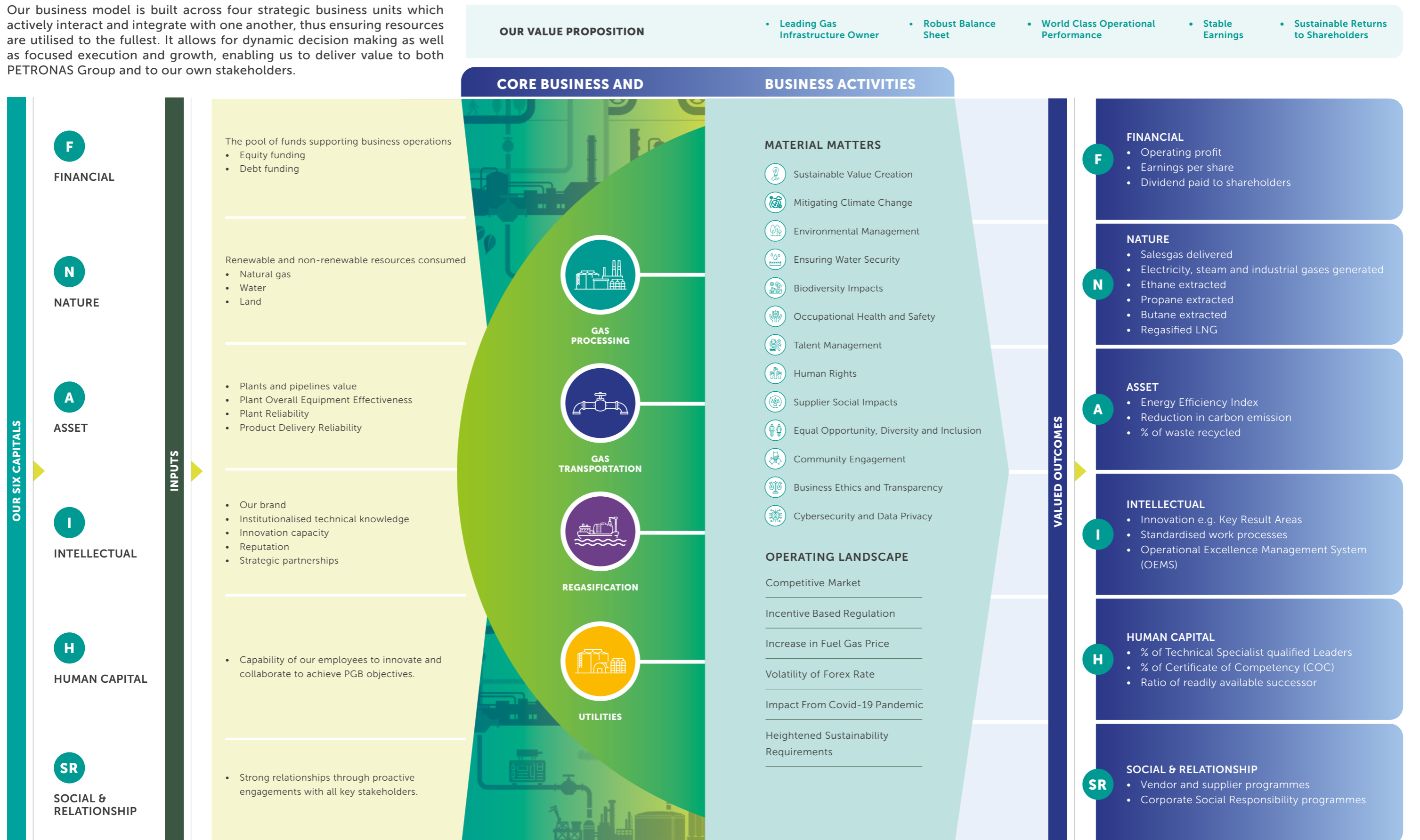
RESEARCH COVERAGE

- 01 AFFIN HWANG INVESTMENT BANK
- 02 AMINVESTMENT BANK
- 03 BIMB SECURITIES
- 04 CGS-CIMB SECURITIES
- 05 CLSA SECURITIES
- 06 HONG LEONG INVESTMENT BANK
- 07 J.P. MORGAN SECURITIES
- 08 KAF SEAGROATT & CAMPBELL SECURITIES
- 09 KENANGA INVESTMENT BANK
- 10 MACQUARIE CAPITAL SECURITIES
- 11 MAYBANK INVESTMENT BANK
- 12 MIDF AMANAH INVESTMENT BANK
- 13 RHB INVESTMENT BANK
- 14 TA SECURITIES

OUR VALUE CREATING BUSINESS MODEL

Our business model is built across four strategic business units which actively interact and integrate with one another, thus ensuring resources are utilised to the fullest. It allows for dynamic decision making as well as focused execution and growth, enabling us to deliver value to both PETRONAS Group and to our own stakeholders.

OUR VALUE CREATING BUSINESS MODEL



KEY RESOURCE CAPITALS: ROLE AND SCOREBOARD

KEY RESOURCE CAPITALS: ROLE AND SCOREBOARD

SIX INPUT CAPITALS

F FINANCIAL

	2022	2023
Equity funding (%)	77.8	81.4
Debt funding (%)	22.2	18.6
WACC (from Bloomberg) (%)	7.2	8.6
Interest gained from investment (RM million)	120.2	149.2
Interest expense paid (RM million)	196.7	169.2
Market capitalisation (RM billion)	33.9	34.4

N NATURE

	2022	2023
Natural gas input (mmscfd)	1,877	1,873
Freshwater withdrawal (million m ³)	8.2	8.3
Land area (hectare)	5,008	5,103

A ASSET

	2022	2023
Plant OEE (%)	99.8	99.7
PGU Reliability (%)	99.9	99.9
Salesgas PDR (%)	100	100
Utilities PDR (%)	99.9	99.5

I INTELLECTUAL

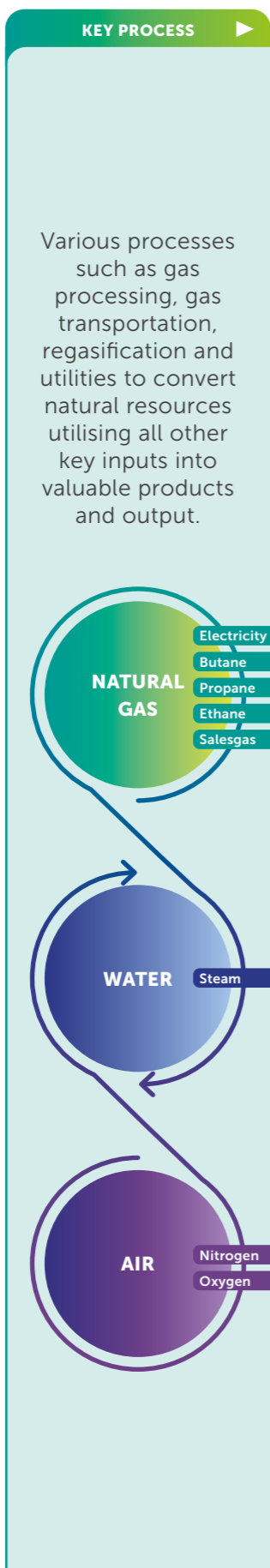
- Brand
- Innovation
- Intellectual property management
- Systems and processes

H HUMAN CAPITAL

	2022	2023
Total employees	1,763	1,821
Training mandays per employee	8.2	13.1
Employee Cost (RM million)	416.8	493.4
Investment in training per employee (RM thousand)	5.1	7.4

SR SOCIAL & RELATIONSHIP

- Investors and Funding Institutions
- Customers
- Business Partners
- Suppliers and Vendors
- Employees and Unions
- Government Agencies and Authorities
- Communities



OUTPUT/ OUTCOME

	2022	2023
Operating profit (RM billion)	2.32	2.27
Cash from operating activities (RM billion)	2.93	3.01
EBITDA (RM billion)	3.24	3.27
Earnings per share (EPS) (sen)	83.16	91.96
Dividend per share (DPS) (sen)	72	72

	2022	2023
Energy Efficiency Index	91.5	94
GHG Emission (million tonnes CO ₂ e)	5.8	5.9
Hazardous waste generated (tonnes)	1,530	2,817
Hazardous waste recycled (tonnes)	847	2,083
Waste recycled (%)	64	74

	2022	2023
Salesgas delivered (mmscfd)	2,188	2,187
Ethane delivered (MT/hr)	142	136
Electricity (GWh)	1,708	1,568
Steam (kMT)	4,821	4,565
Industrial gases (mil Nm ³)	640	606

- Organisational Excellence Management System (OEMS) enhancement.
- Sustained and improved project governance and delivery from Front-End-Loading (FEL) to project execution.
- Multiple awards received in HSSE and innovation front, i.e., Prime Minister Hibiscus Award, Malaysian Society of Occupational Safety and Health (MSOSH) Award, National Council for Occupational Safety and Health (NCOSH) Award, IDC Future Enterprise Award, British Safety Council Award, RoSPA Health and Safety Award, Malaysia Technology Excellence Award and Safety and Health Assessment System in Construction Assessment by CIDB.
- Innovation within Key Result Areas

	2022 (301099)	2023 (G5dot5)
Key Result Areas	64	90
Value Creation (RM million)	123.1	259.3

	2022	2023
Technical Specialist qualified Leaders (%)	68	88

- PETRONAS Vendor Development Programme (VDP)
- Toolbox sessions with contractors
- Program Sentuhan Alam PETRONAS
- Program Sentuhan Kasih PETRONAS
- Program Sentuhan Ilmu PETRONAS
- Contractor HSSE Mentoring and Coaching Programme

ACTIONS TO ENHANCE OUTCOMES

Enhancing financial capital efficiency

- Renewal of contracts with utilities customers
- Cost optimisation by extending the plant turnaround interval
- Ensuring sustainable returns through dividend distribution to shareholders, in accordance with industry dividend payout ratios
- Implementing an optimal hedging strategy by continuously assessing various funding alternatives

Managing natural resources

- Investment in research and development as well as technologies to improve energy efficiency and address negative impact on natural elements by minimising pollution and promoting water stewardship
- Impose target on annual reduction in waste disposal
- Impose target on annual reduction in greenhouse gas emissions
- Investment to meet clean air regulation requirements

Elevating asset performance

- Embark on new PGB Strategic Agenda, G5dot5, in sustaining operational excellence whilst focusing on business growth and elevating project and commercial excellence.
- 5G Network adoption at RGTSU and GPU for seamless digital initiatives execution through faster data transmission.
- Distributed Acoustic Sensing (DAS) enables real time detection on third party encroachment along pipeline Right-of-Way (ROW) through online monitoring and deter intrusion via automated drone.
- Gas Transmission Optimisation (GTOPs) optimises fuel usage for compressor operation by 1.5% through smart performance monitoring whilst maintaining at healthy range pressure.

Leveraging intellectual capital

- Standardisation of processes to eliminate errors, enhance quality and free resources for more value-added tasks.
- The foundation for Project Development and Project Directorate has been further strengthened resulting in three projects FID and 82.4% projects completion.

Nurturing people

- Accelerate capability building and assessment for technical managers to be certified as technical specialists.

Engaging stakeholders

- Promoting gas as a cleaner source of fuel
- Leveraging on technical knowledge for potential business ventures
- Supportive of government initiatives especially National Energy Transition Roadmap (NETR)
- Advocating gas and gas-related solutions as the best clean fuel in Energy Transition

TRADE OFFS

Through the allocation of our financial capital towards the extraction of natural resources, we strive to generate and amplify value. Consequently, this endeavour has a beneficial effect on our asset, human, intellectual, and social and relationship capitals. Nonetheless, this approach may lead to the depletion of our natural resources.

We affect natural resources through our business processes as well as emissions. To address and minimise this impact, we tap into our financial, asset and human capitals.

In the short term, we utilise and deplete our financial capital to enhance asset performance. However, in the long term, this contributes positively to our financial, natural, human, and social and relationship capitals.

When we invest in intellectual capital, this reduces our financial capital for the short term. Nevertheless, over the longer term, our financial, natural, human as well as social and relationship capitals will all be strengthened.

While initially affecting the company's profits, investing in learning and development is poised to yield long-term benefits. These include improved productivity and to sustain organisational performance.

We invest in our social and relationship capital for long-term financial capital growth. However, for the short term, we will need to tap into both our financial and human capitals. Investing in social and relationships is a long-term initiative and will be done on continuous basis to ensure positive payback. PGB needs to invest in dedicated stakeholder management team to ensure comprehensive engagement plans and implementation.

HOW WE ENGAGE WITH OUR STAKEHOLDERS

Stakeholder engagement is at the core of our operations. Recognising the diverse interests and expectations of each community within our stakeholder group, shaped by their unique interactions with our company, we are dedicated to enhancing the effectiveness of our engagement to better understand their needs and interests.

Presently, we actively keep our varied stakeholders well-informed about our activities, outcomes, and strategic direction. Additionally, we seek their input on their requirements, focus areas, and expectations through our established engagement platforms.



The list of key stakeholder groups outlines the reasons for our engagement, the offerings we provide, addresses their primary concerns along with our responses, and specifies the engagement channels and the frequency with which we engage with each group.

HOW WE ENGAGE WITH OUR STAKEHOLDERS

CUSTOMERS

WHY WE ENGAGE

- Present a superior offering that reflects our operational and commercial excellence
- Extension of contracts
- Secure new contracts
- Foster and maintain good business relationship

WHAT WE OFFER

- Reliable product delivery at competitive cost
- Quality product offering
- Commitment for product delivery reliability and conformance to specification

KEY CONCERNS

- Delivery of high quality products and services in a timely manner
- Competitive product offering

RESPONSE

- Close integration along the value chain to ensure reliability and PDR
- Increased offering of customer centric-solutions for both products and prices
- Increased customer engagement and visits
- Increased marketing activities and outreach to customers

CHANNEL AND FREQUENCY OF ENGAGEMENT

- W** One-on-one meetings
- Q** Customer visits
- Y** Annual customer experience survey
- Y** Industry conferences, forums and events

INVESTORS AND FUNDING INSTITUTIONS

WHY WE ENGAGE

- Better access to financing
- Liquidity of our shares
- Promote open dialogue with both institutional and private investors to enhance their understanding of the PGB business
- Continuously build and maintain transparent communication with shareholders, potential investors and the investing community

WHAT WE OFFER

- Solid investment case – stable share price/earnings and low volatility
- Assurance that business activities and decisions are aligned to strategy in creating sustained value
- Assurance that sustainability and compliance with governance principles are considered and integrated into business practices
- Ability to sustain attractive return to shareholders

KEY CONCERNS

- Impact of elevated energy prices and foreign exchange
- Progress of growth initiatives
- Prospect of Gas Processing Agreement renewal
- Continued shareholders' return
- Sustainability practices and disclosure
- Shift of interest from oil and gas sectors due to heightened environmental awareness

RESPONSE

- Guided disclosures on company strategy and growth initiatives
- Issuance of quarterly results announcements, quarterly analyst briefings and press statements
- Continuous engagement with all relevant stakeholders
- Timely response to queries and shareholders' feedback
- Disclosure of sustainability and governance practices in annual report, company presentations and website

CHANNEL AND FREQUENCY OF ENGAGEMENT

- A** One-on-one meetings
- A** Emails/Letters/Surveys
- Q** Analyst briefings
- Q** Website (for Analyst Briefings only)
- Y** Annual General Meeting
- Y** Investor conferences and roadshows
- Y** Site visit

BUSINESS PARTNERS

WHY WE ENGAGE

- Foster strong relationships through regular communication and collaboration

WHAT WE OFFER

- PGB is licensed in its core regulated businesses (i.e. pipeline, RGTs), better understanding on the latest requirements and regulations
- Work together on joint initiatives that benefit both parties

KEY CONCERNS

- ESG regulations and requirements by potential business partners
- Vice versa where PGB may require a certain threshold of ESG compliance by potential partners

RESPONSE

- Established partner selection criteria to ensure strategic fit

CHANNEL AND FREQUENCY OF ENGAGEMENT

- W** One-on-one meetings
- M** Management committee meetings
- Q** Board meetings
- Y** Strategic dialogues, conferences, forums and events

SUPPLIERS AND VENDORS

WHY WE ENGAGE

- Delivery of goods and services aligned to PETRONAS and PGB value

WHAT WE OFFER

- Opportunities and partnerships that assist in growing their business

KEY CONCERNS

- Fair and seamless business transactions

RESPONSE

- Leverage on PETRONAS Group Procurement and Financial Services' relevant policies and procedures
- Close engagements to maintain reliable supply chain

CHANNEL AND FREQUENCY OF ENGAGEMENT

- W** Toolbox sessions
- W** HSSE contractor improvement programme
- Q** Project sponsor meetings
- Y** Contractor engagement and clinic

HOW WE ENGAGE WITH OUR STAKEHOLDERS

EMPLOYEES AND UNIONS



WHY WE ENGAGE

- Fostering a positive ecosystem and encourage employees to make valuable contributions in delivering business strategy and achieve strategic goals
- Identify and fill skills gap in order to nurture and develop future talent
- Inspire employees to collaborate harmoniously with the management and working level
- Conducive relationship with union representative to maintain industrial harmony

WHAT WE OFFER

- A work environment that promotes sustainability and psychological safety
- Opportunities for learning, development, and growth
- Opportunity to make valuable contributions to achieve personal fulfilment and satisfaction

KEY CONCERNS

- Staff physical and mental well-being
- Conducive and inclusive working environment
- Staff capability development
- To maintain industrial harmony

RESPONSE

- Roll-out of Mind-A-Care programme designed to provide understanding on risk factors of mental illness, early detection of mental health signs and symptoms
- Communication programmes to encourage staff to embrace Diversity and Inclusion in the workplace
- Structured staff development that focusing on technical, functional and leadership skills
- Engage and collaborate with union representatives to have seamless understanding on HR policies and procedures

CHANNEL AND FREQUENCY OF ENGAGEMENT

- M** Engagement with employees
- M** Intranet and internet newsletters
- Q** Union engagement and activities

GOVERNMENT AGENCIES & AUTHORITIES



WHY WE ENGAGE

- Positioning PGB to support government initiatives such as National Energy Transition Roadmap
- Be a consultative partner in shaping the direction and market of the gas and power industry in Malaysia

WHAT WE OFFER

- Extensive gas delivery network in Peninsular Malaysia
- Cleanest fossil fuel energy from cogeneration plants
- Safe, reliable and efficient operations across all facilities

KEY CONCERNS

- Gas supply, security and reliability as well as alignment and support towards National Agenda
- Economic impact to consumers
- Compliance to Regulations and demonstration of commitment to ESG practices
- Health and safety of PGB operations and impact to surrounding communities
- Integrity and ethical business practice
- Timely public disclosures related to Sustainability (e.g. TCFD, TNFD)

RESPONSE

- Formal and informal engagements
- Joint emergency response exercises
- Familiarisation visit to PGB facilities
- Regular reporting to government agencies

CHANNEL AND FREQUENCY OF ENGAGEMENT

- Q** Engagement programmes
- Y** Consultative sessions

HOW WE ENGAGE WITH OUR STAKEHOLDERS

COMMUNITIES



WHY WE ENGAGE

- Increase communities' understanding of PGB's business and operations
- Promote sustainable livelihoods and prepare communities to be more adaptive and resilient

WHAT WE OFFER

- Education and social support
- Environmental protection and biodiversity preservation

KEY CONCERNS

- Safety of PGB operations and impact to surrounding communities
- Education and social support
- Environmental protection and biodiversity preservation

RESPONSE

- Implementation of social impact activations in the area of education, community wellbeing and environment
 - Powering Knowledge programmes (education)
 - Uplifting Lives programmes (community wellbeing)
 - Planting Tomorrow programmes (environment)
- Sponsorships and donations
- Outreach activities to foster favourable relationship with communities

CHANNEL AND FREQUENCY OF ENGAGEMENT

- M** Engagement with employees
- M** Intranet and internet newsletters
- Q** Union engagement and activities

MEDIA



WHY WE ENGAGE

- Enable key communication link between our business and our stakeholders
- Collaborate with the Media to circulate vital information that impacts our corporate reputation and brand

WHAT WE OFFER

- Transparency of information
- Regular engagement with PGB spokesperson

KEY CONCERNS

- Business performance
- Environmental management and sustainability efforts
- New innovation and technology

RESPONSE

- Foster open and transparent communication with the Media
- Provide a speedy response to the Media's enquiries on business developments
- Organise rapport-building and sharing activities

CHANNEL AND FREQUENCY OF ENGAGEMENT

- Q** Quarterly Performance Press releases
- Y** Press releases on Key Business update

MATERIAL MATTERS

DETERMINING OUR MATERIAL MATTERS

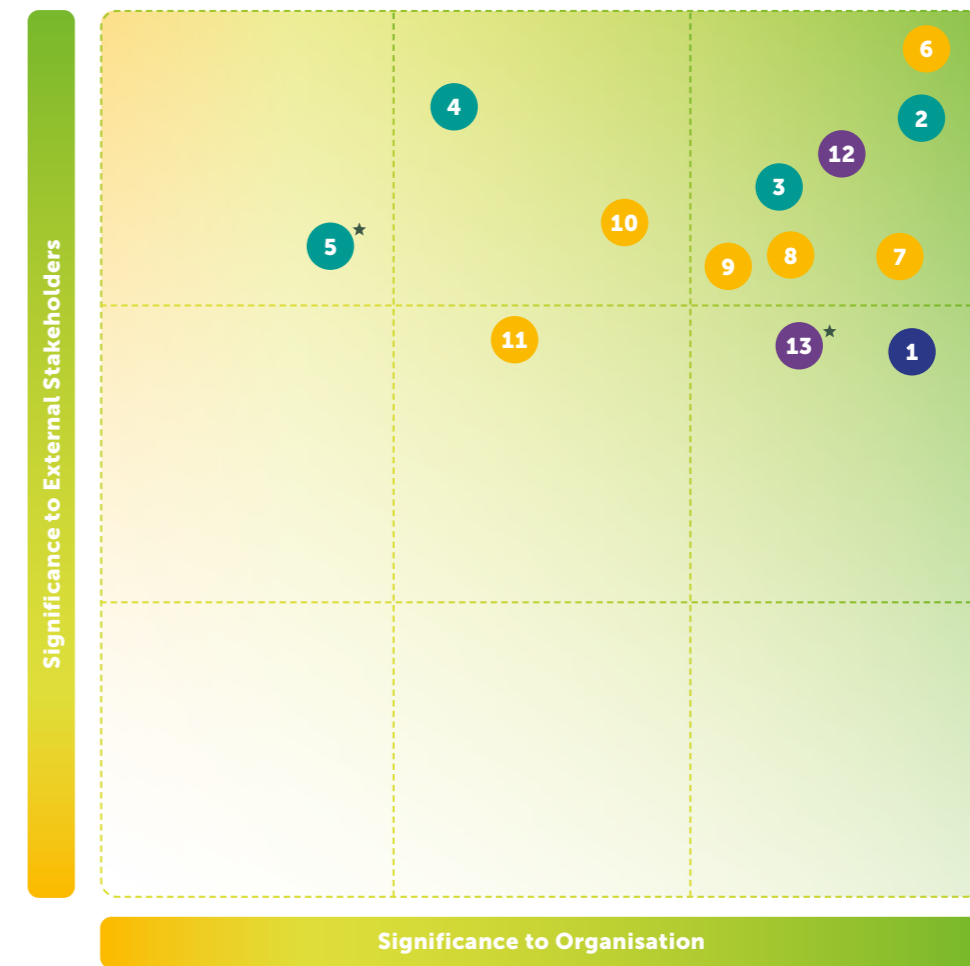
Our material sustainability matters are identified through periodic materiality assessments. The results are presented on multiple management platforms and subsequently tabled to and approved by the Board. Once approved, these material matters receive strategic guidance from the Board and Leadership Team, laying the groundwork for Group-wide strategies, initiatives and action plans to be developed.

Material Matters Identification Process



MATERIAL MATTERS

Material Matters Matrix



ECONOMIC

- 1 Sustainable Value Creation

ENVIRONMENT

- 2 Mitigating Climate Change
- 3 Environmental Management
- 4 Ensuring Water Security
- 5 Biodiversity Impacts

SOCIAL

- 6 Occupational Health and Safety
- 7 Talent Management
- 8 Human Rights
- 9 Suppliers Social Impact
- 10 Equal Opportunity, Diversity and Inclusion
- 11 Community Engagement

GOVERNANCE

- 12 Business Ethics and Transparency
- 13 Cybersecurity and Data Privacy

* Fuller Disclosure in 2023

LINKING MATERIAL MATTERS TO RISK & STRATEGY

Material Matters	Risk Description	Mitigation Opportunities
<p>Sustainable Value Creation</p>	<ul style="list-style-type: none"> Inability to secure and deliver growth projects effectively Unsustainable profitability from non-regulated businesses such as utilities Inability to achieve reasonable tariffs for the regulated business 	<ul style="list-style-type: none"> Explore growth opportunities in core and adjacent domains, and in non-regulated business (e.g., utilities, power and ancillary service areas), to drive further value
<p>Mitigating Climate Change</p>	<ul style="list-style-type: none"> Continuous emissions from operational activities such as combustion, flaring and venting Inefficient energy consumption Failure to adapt to climate change 	<ul style="list-style-type: none"> Improve operational energy efficiency Implement renewable energy solutions Explore carbon abatement technologies, waste-to-resource/energy and cold energy optimisation
<p>Environmental Management</p>	<ul style="list-style-type: none"> Adverse reputational impact and operational disruptions from breaches of environmental laws, regulations or licensing conditions 	<ul style="list-style-type: none"> Enhance facilities' performance while ensuring stringent compliance with environmental requirements
<p>Ensuring Water Security</p>	<ul style="list-style-type: none"> Fines and penalties from failure to comply with relevant laws Negative impacts on waterways due to overuse of water 	<ul style="list-style-type: none"> Implement water conservation initiatives across our business Maintain stringent wastewater management practices
<p>Biodiversity Impacts</p>	<ul style="list-style-type: none"> Irreversible damage to natural habitats Legal and reputational impacts of any incidents 	<ul style="list-style-type: none"> Undertake biodiversity and ecological risk assessments at all new projects and operations

LINKING MATERIAL MATTERS TO RISK & STRATEGY

Material Matters	Risk Description	Mitigation Opportunities
<p>Occupational Health and Safety</p>	<ul style="list-style-type: none"> Unsustainable HSSE performance, impacting business, operations and reputation 	<ul style="list-style-type: none"> Inculcate a behavioural safety culture, enforcing commitment from all employees Implement stringent health and safety standards at all operations
<p>Talent Management</p>	<ul style="list-style-type: none"> Insufficient competent talents to drive growth and value 	<ul style="list-style-type: none"> Establish structured capability development for core and growth skill set requirements
<p>Human Rights</p>	<ul style="list-style-type: none"> Unethical hiring of forced labour within the supply chain, tarnishing company reputation 	<ul style="list-style-type: none"> Hiring procedures are complied by all parties
<p>Supplier Social Impacts</p>	<ul style="list-style-type: none"> Ineffective manpower management, impacting business and plant operations Reputational damage resulting from any violations of environmental, human rights or other regulations by a supplier 	<ul style="list-style-type: none"> Create healthy opportunities within the supply chain, supporting surrounding communities Build our suppliers' capabilities in sustainability
<p>Equal Opportunity, Diversity and Inclusion</p>	<ul style="list-style-type: none"> Unhealthy or non-progressive workplace practices impacting business operations 	<ul style="list-style-type: none"> Promote progressive ways of working and encourage diversity of ideas

LINKING MATERIAL MATTERS TO RISK & STRATEGY

Material Matters	Risk Description	Mitigation Opportunities
<p>Community Engagement</p>	<ul style="list-style-type: none"> Negative impacts arising from community engagements Failure to create desired impact or meet public expectations 	<ul style="list-style-type: none"> Invest consistently in long-term education, community well-being and development, and environmental initiatives
<p>Business Ethics and Transparency</p>	<ul style="list-style-type: none"> Misconduct, corruption, unethical business dealings and failure to uphold integrity in day-to-day operations poses reputational risks 	<ul style="list-style-type: none"> Conduct training for employees on core corporate values
<p>Cybersecurity and Data Privacy</p>	<ul style="list-style-type: none"> Inability to keep up with evolving cyber and data privacy risks Exposure to operating system failure and data breaches caused by ineffective cybersecurity can disrupt business operations and erode customer trust 	<ul style="list-style-type: none"> Adopt modern threat protection approaches across our businesses Conduct 24/7 network monitoring through PETRONAS' Centralised Security Operation Centre (SOC)

VALUE CREATION THROUGH GOOD GOVERNANCE

“PGB IS COMMITTED TO THE HIGHEST STANDARDS OF GOVERNANCE, ETHICS AND INTEGRITY.”

The Board and Management are dedicated to meticulously navigate the business trajectory, aiming to foster maximum shared value across diverse realms. This commitment is steered by our resounding Statement of Purpose, encapsulated in the vision of being a “Progressive Energy and Solutions Partner, Enriching Lives for A Sustainable Future.” We actively align our strategic responses with evolving market needs.

Our foundation rests on a set of shared values — Loyalty, Integrity, Professionalism, and Cohesiveness — which serve as the bedrock of our business conduct. This framework guides our actions as we strive to deliver tangible results to our stakeholders. Unwavering in our pursuit of value creation, our focus extends beyond mere operational and financial targets; it encompasses the holistic fulfilment of stakeholder expectations.

In navigating the intricate landscape of risks and opportunities, we remain vigilant to ensure the continued relevance and sustainability of our business model. This involves keen monitoring of the overall environment, meticulous evaluation of capital inputs' availability and quantity, and a steadfast acknowledgment of the diverse needs of our stakeholders. This strategic approach is channelled through defined focus areas, allowing our Group to create enduring value by seamlessly integrating good governance practices into the fabric of our operations.

VALUE CREATION THROUGH GOOD GOVERNANCE

VALUE CREATION THROUGH GOOD GOVERNANCE

BOARD OF DIRECTORS (As at 29 February 2024)



From left to right:

**MEK YAM @
MARIAM HASSAN**
FCIS(CS)(CGP)
Company Secretary

MARINA MD TAIB
Non-Independent
Non-Executive Director

**SUJIT SINGH PARHAR
S/O SUKHDEV SINGH**
Independent Non-Executive
Director, a Member of BAC
and BSRC

**DATUK YEOW
KIAN CHAI**
Independent Non-
Executive Director,
Chairman of BSRC and a
Member of NRC

ADNAN ZAINOL ABIDIN
Chairman
Non-Independent
Non-Executive Director

ABDUL AZIZ OTHMAN
Managing Director/
Chief Executive Officer

**FARINA FARIKHULLAH
KHAN**
Senior Independent
Non-Executive Director,
Chairman of BAC and a
Member of NRC and BSRC

**DATUK MARK
VICTOR ROZARIO**
Independent Non-
Executive Director,
Chairman of NRC and a
Member of BAC and BSRC

HASLIZA OTHMAN
Non-Independent
Non-Executive Director

**CIK AZIZAHWATI
ISHAK**
FCIS(CS)(CGP)
Company Secretary

Note:

BAC : Board Audit Committee

NRC : Nomination and Remuneration Committee

BSRC : Board Sustainability and Risk Committee

VALUE CREATION THROUGH GOOD GOVERNANCE

OUR GOVERNANCE POLICY

Our Board is committed to upholding the highest standards of governance, ethics, and integrity within the Group. Recognising the pivotal role of corporate governance in professionalism and business ethics, we consider it a cornerstone across our diverse business activities.

In PGB, we actively embrace and implement world-class business practices, continually reinforcing our institutional framework to act in the best interest of our stakeholders.

As the leading gas infrastructure and utilities company in Malaysia, with four core business segments – Gas Processing, Gas Transportation, Regasification and Utilities – we adhere to globally recognised governance practices and sustainable standards. This commitment reflects our resilience and adaptability in navigating dynamic regulatory landscapes and the challenging global business environment.

Our governance approach transcends mere compliance, avoiding box-ticking exercises. Instead, we view good governance as a value-driven initiative, integral to our ethos. We believe it contributes significantly to elevating values through heightened accountability, robust risk and performance management, transparency, and effective leadership.

The nexus of good corporate governance and value-driven objectives not only creates and sustains shareholder value but also ensures ethical behaviour and fosters positive outcomes for all stakeholders. This steadfast commitment underscores our belief that governance excellence is a catalyst for enduring success in a complex and competitive business landscape.

VALUE-DRIVEN OBJECTIVES OF OUR BOARD

Value-driven objectives of our Board are rooted in corporate governance principles and best practices espoused in the Malaysian Code on Corporate Governance 2021 (MCCG 2021), reporting disclosures and increased compliance requirements of the Main Market Listing Requirement (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia), Companies Act 2016 and other applicable regulations.

Effective Ethical Leadership	Strategy, Performance and Reporting	Governance Structure and Delegation	Sustainable Growth and Stakeholders
<p>Strong leadership is critical to value creation. The Board sets the tone, provides leadership and vision and leads the Group ethically, effectively and responsibly.</p> <p>The Board leads to shape the Group's direction and culture through its corporate governance philosophy and ethical practices. In this way the Board ensures that the Group plays a significant role in society as an employer, business partner, taxpayer and contributor of the country's economic growth.</p>	<p>The Board takes accountability for the Group's performance. The Board sets the Group's strategic aims and ensures that the necessary resources are in place to meet its objectives and review Management's performance.</p> <p>The Board supports the Group in its implementation of the Group's value-driven strategic objectives and the effort put in place in achieving them. The required disclosures are contained in this Integrated Report and other reports available at the company's corporate website at www.petronas.com/pgb.</p>	<p>The Board collectively responsible for delivering sustainable value through oversight of the management of the Group's business through its Board Committees.</p>	<p>In providing leadership and vision to the Group, the Board ensures sustainable growth and delivery of the Group's purpose and objectives for the benefit of all stakeholders.</p>

VALUE CREATION THROUGH GOOD GOVERNANCE

COLLECTIVE RESPONSIBILITIES OF THE BOARD

A director, when exercising his/her power, owes a fiduciary duty to the company and collectively should act honestly in good faith in the best interest of the company. Our Board is collectively responsible for the long-term success of PGB and delivering sustainable value through oversight of the management of the Group's business.

The main functions of the Board include the following:

- ▶ Reviews, approves and monitors strategic business plans, goals and key policies
- ▶ Responsible for the governance of sustainability in the company including setting sustainability strategies, priorities and targets
- ▶ Ensures appropriate policies are in place, adopted effectively and regularly reviewed
- ▶ Provides oversight of the conduct and performance of the Management and the Group's business
- ▶ Ensures and provides accountability to its members or shareholders and to some extent, towards a wider range of stakeholders

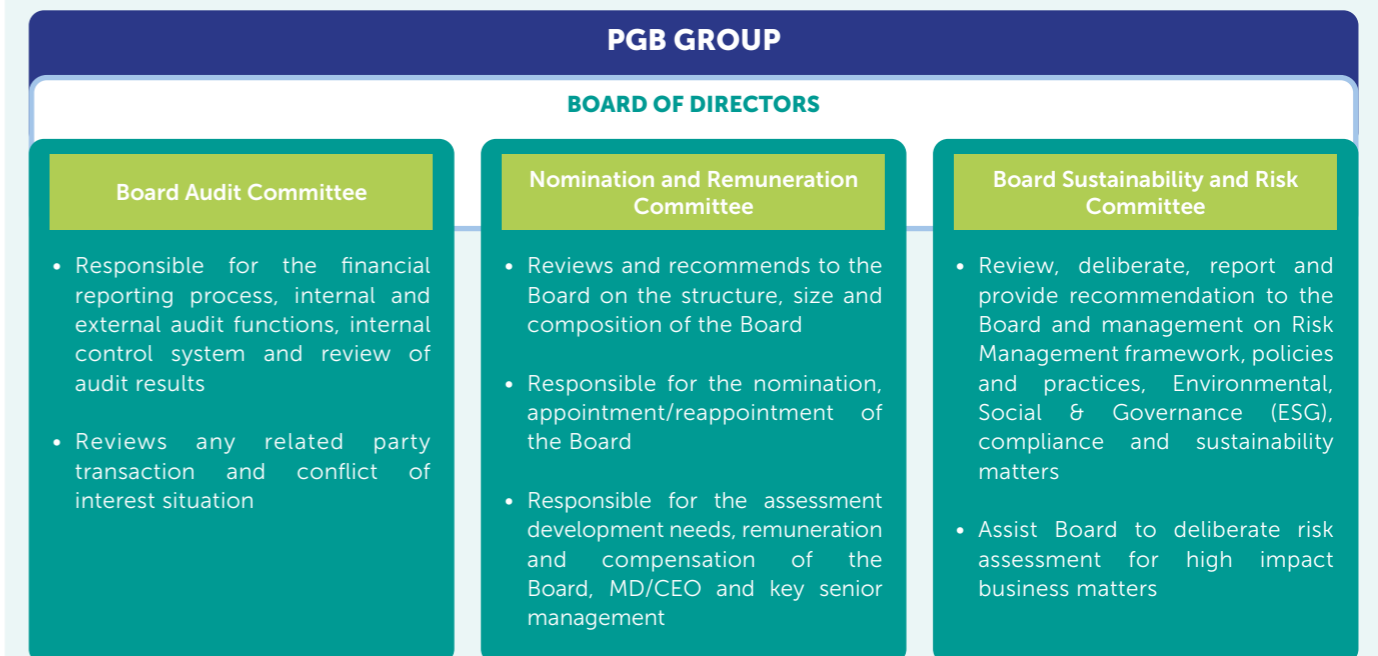
Our Board and Board Committees

The Board provides leadership and strategic guidance to safeguard stakeholder value creation within a framework of prudent and effective controls. This makes it possible for the Group to assess and manage risks to ensure long-term sustainable development and growth.

The Board is ultimately accountable and responsible for the performance and affairs of PGB and ensures that the Group adheres to high standards of ethical behaviour.

The Board Committees assist the Board in the discharge of its duties and responsibilities. Each Board Committee has a formal written Terms of Reference that effectively stipulates the delegated responsibilities by the Board.

The Board monitors these responsibilities to ensure effective coverage of and control over the Group's operations.



VALUE CREATION THROUGH GOOD GOVERNANCE

INVOLVEMENT IN COMPANY'S STRATEGIC MATTERS

Although the Board maintains its independence, it is important that it engages with Management on multiple levels to understand fully the Group's business.



RISK MANAGEMENT

Risks arising from a constantly shifting global industrial and geopolitical landscape are amongst the major challenges our business faces in progressing with our goal of growing shareholders' value in a sustainable manner.

Risk management is fundamental to the Group's strategy and our gas infrastructure and utilities business. The pervasiveness of risk in this industry means that our Board deems risk management as an integral part of our business strategy.

Risk management oversight is carried out by the Board and the Board Sustainability and Risk Committee (BSRC) via the Risk Management Unit which reports on risk management to the BSRC.

The BSRC contributes to independent judgment to the risk profile for Enterprise as well as new growth opportunities. This entails amongst others, the reviews of the risk profile and effectiveness of mitigation to ensure comprehensive risk management.

The business environment within which we operate requires us to be vigilant in our risk management and to continuously identify new emerging risks.



Pengerang Gas Solutions Sdn. Bhd.

VALUE CREATION THROUGH GOOD GOVERNANCE

BOARD SKILLS AND EXPERIENCE MATRIX

The Board has members with a broad range of skills and experiences that helps to create value in the interests of the company and its shareholders.

With the appropriate mix of skills and experience, the Board is assured that it is well equipped to guide and steer our strategy into the future and thereby, create value.

(As at 29 February 2024)

NAME OF DIRECTORS:		Adnan Zainol Abidin	Abdul Aziz Othman	Farina Farikhullah Khan	Marina Md Taib	Datuk Yeow Kian Chai	Datuk Mark Victor Rozario	Sujit Singh Parhar s/o Sukhdev Singh	Hasliza Othman
		▼	▼	▼	▼	▼	▼	▼	▼
SKILLS MATRIX:									
FA	Finance/Audit	●		●	●		●		
LR	Legal/Regulatory	●		●					
EC	Economics	●	●	●	●	●	●	●	●
ET	Engineering/Technical	●	●			●		●	●
CM	Commercial/Marketing	●	●			●	●		
OP	Operations	●	●		●	●	●	●	●
CP	Corporate Planning And Development	●	●	●	●	●	●	●	●
HR	Human Resource	●		●					
ICT	ICT	●					●		
EN	Entrepreneurial						●		
INV	Investment				●				
SUS	Sustainability	●	●	●		●	●	●	
INDUSTRY EXPERIENCE:									
O	Oil And Gas	●	●	●	●	●	●		●
B	Banking And Finance			●	●				
R	Regional/International	●	●	●	●	●	●	●	●
P	Power	●	●				●	●	
S	Shipping And Logistic	●							

VALUE CREATION THROUGH GOOD GOVERNANCE

BOARD INDEPENDENCE

The Board is diverse in demographics, skills and experience.

There are eight (8) Directors on the Board, four (4) of whom are Independent Directors who promote independent judgement and diverse mindsets and opinions.

All Directors are assessed annually via the Board Effectiveness Evaluation exercise. The Independent Directors assessed in 2023 satisfied the independence criteria and therefore, maintained their independent status.

In line with the exemplary practice as recommended by Malaysian Code on Corporate Governance 2021 (MCCG 2021), the company has adopted a tenure policy whereby the total tenure of the Independent Directors is capped at nine (9) years, renewable at an interval of every three (3) years.



BOARD DIVERSITY

The Directors bring a wealth of experience in managing sustainable business growth and collectively represent leadership with diversity of perspectives that supports effective decision-making.

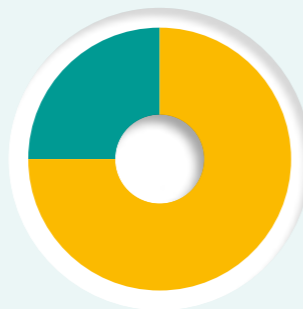
A diverse Board is necessary to provide unique perspectives, experience and expertise required to achieve effective stewardship thereby, creating value.

Diversity that embraces mixed profiles, age and gender, knowledge, skill, regional and industry experience at Board level are key considerations in the Board selection process.

In addition, each of the director has the character, experience, integrity, competence and time to effectively discharge his/ her role as a director.

38% Female Directors currently represent 38% of the Board composition more than the Government's aspiration and Practice 5.9 of the MCCG 2021.

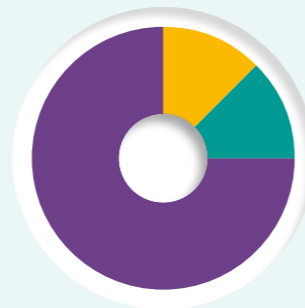
BOARD TENURE AND AGE DISTRIBUTION



TENURE:
6 2 - 4 years
2 4 - 6 years

AGE GROUP:

1 Age 70 - 79
1 Age 60 - 69
6 Age 50 - 59



OUR APPROACH TO COMPLIANCE

We comply with and subscribe to various legislations and regulatory requirements, such as Main Market Listing Requirement by Bursa Malaysia, MCCG 2021, Companies Act 2016, Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Appropriate procedures and mechanisms are in place to ensure full and continuous adherence to these laws and regulation.

Our business compliance covers a wide range of laws and regulatory areas, including competition, anti-bribery and corruption, international sanctions and data protection.

The principles governing our ethical standards and compliance are founded within Code of Conduct and Business Ethics (CoBE), Whistleblowing Policy and the Anti Bribery and Corruption (ABC) Manual.



VALUE CREATION THROUGH GOOD GOVERNANCE

CONFLICT OF INTEREST/OTHER BOARD APPOINTMENTS

A Director is prohibited from using his or her position or confidential or price-sensitive information to benefit herself or himself or any related third party, financially or otherwise.

Directors are also required to inform the Board on conflicts or potential conflicts of interest that they may have in relation to business, including competing business, or other directorships. They must declare any actual or potential conflict of interest at the Board meeting where the matter is being transacted and discussed.

Directors may accept other Board appointments provided such appointments do not conflict with the Group and/or adversely affect the Director's duties as well as time commitment. The Board Chairman should be notified prior to acceptance of appointment on other Board of Directors.

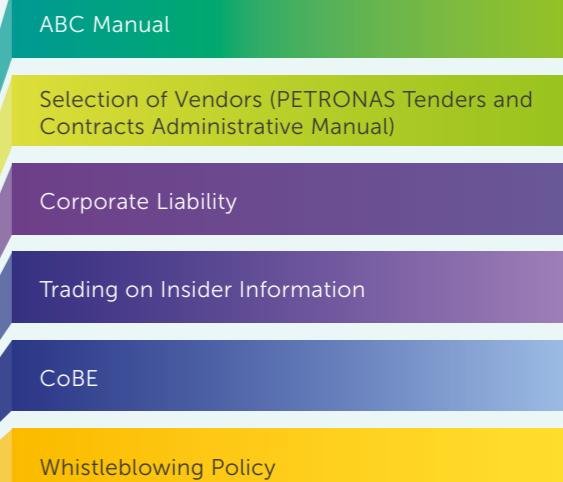
Non-Executive Directors should not hold more than five directorships in listed entities.

INTEGRITY AND ETHICS

PGB acknowledges the Board's role in establishing a corporate culture that encompasses and embraces ethical conduct within the Group. The adoption of these policies is to ensure that the conduct of business and the company's employees are consistently carried out ethically and with integrity.

During the year under review, the company had conducted a series of staff engagement to instil awareness on these policies as part of the company's annual event.

The Board assumes ultimate responsibility for PGB's ethics performance and adherence to human rights principles. This responsibility is delegated to the Management which uses various tools to fulfil its mandate.



COMMITMENT ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) MATTERS

We are committed to ensure the highest standards of environmental, social and governance practices.

We embed sustainable development in the business value chain to successfully create long-term value.

We progressively keep abreast on evolving social and environmental expectations by continuously engaging with our stakeholders.

PROFILE OF THE BOARD OF DIRECTORS

PROFILE OF THE BOARD OF DIRECTORS

Academic/Professional Qualifications

- Bachelor of Science in Chemical Engineering University of Leeds, United Kingdom

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad

Other public company:

- Nil

Present Appointments

- Chief Operating Officer, PETRONAS and Executive Vice President & Chief Executive Officer, Gas Business PETRONAS
- Member of PETRONAS Executive Leadership Team
- Board Member of various companies in PETRONAS

Past Experience

- Senior Vice President, PETRONAS Project Delivery & Technology
- Vice President, PETRONAS LNG Assets
- Vice President, PETRONAS Global LNG Projects
- President and Chief Executive Officer, Pacific Northwest LNG (Canada)
- Chief Executive Officer, Egyptian LNG (Egypt)
- Chief Executive Officer, PETRONAS Chemicals Ammonia Sdn. Bhd.
- 35 years of extensive experience in oil and gas industry

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers



ADNAN ZAINOL ABIDIN

Chairman
Non-Independent Non-Executive Director

Nationality



Age

62

Gender

Male

Date of Appointment

2 July 2020

Length of Service

3 years 8 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



ABDUL AZIZ OTHMAN

Managing Director/Chief Executive Officer

Nationality



Age

58

Gender

Male

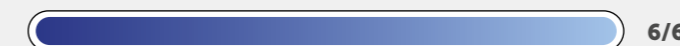
Date of Appointment

1 January 2021

Length of Service

3 years 2 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



Academic/Professional Qualifications

- Senior Executive Programme, London Business School
- INSEAD Programme, INSEAD Business School
- Bachelor of Science in Mechanical Engineering, George Washington University, United States of America

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad

Other public company:

- Nil

Present Appointments

- Senior Vice President, Gas & Power, Gas Business PETRONAS
- Board Member of various companies in PETRONAS
- President, Malaysian Gas Association
- Regional Coordinator South & Southeast Asia, International Gas Union
- Member Executive Committee & Member Audit Committee, International Gas Union
- Malaysia Advisor Board, ASEAN Innovation Business Platform

Past Experience

- Chief Marketing Officer, PETRONAS LNG Limited
- Vice President, Strategy and New Ventures, PETRONAS Energy Canada Limited
- Head, Strategic Planning and Ventures, PETRONAS Chemicals Group Berhad
- Chief Executive Officer, Vinyl Chloride Malaysia Sdn. Bhd.
- General Manager, Centralised Utilities Facilities (CUF), PETRONAS Gas Berhad
- Head (Strategy & Business Planning), PETRONAS
- Manager (Corporate Issues), Business Planning & Development, PETRONAS

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

PROFILE OF THE BOARD OF DIRECTORS



FARINA FARIKHULLAH KHAN

Senior Independent Non-Executive Director

Nationality



Age

51

Gender

Female

Date of Appointment

1 September 2018

Length of Service

5 years 6 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



Academic/Professional Qualifications

- Advanced Management Programme, Harvard Business School, United States of America
- Fellow member of the Institute of Chartered Accountants, Australia & New Zealand
- Bachelor of Commerce (Accounting), University of New South Wales, Australia

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad
- KLCC Property Holdings Berhad
- AMMB Holdings Berhad
- Icon Offshore Berhad

Other public company:

- AmBank Islamic Berhad

Foreign listed company:

- EnQuest PLC

Present Appointments

- Chairman, Board Audit Committee of PETRONAS Gas Berhad
- Member, Nomination and Remuneration Committee of PETRONAS Gas Berhad
- Member, Board Sustainability and Risk Committee of PETRONAS Gas Berhad
- Chairperson, Board Audit Committee of KLCC Property Holdings Berhad and KLCC REIT Management Sdn. Bhd.
- Member, Board Nomination and Remuneration Committee of KLCC Property Holdings Berhad and KLCC REIT Management Sdn. Bhd.
- Member, Risk Committee of KLCC Property Holdings Berhad
- Chairman, Group Nomination and Remuneration Committee of AMMB Holdings Berhad
- Member, Audit and Examination Committee of AMMB Holdings Berhad
- Member, Risk Management Committee of AmBank Islamic Berhad
- Member, Audit and Examination Committee of AmBank Islamic Berhad
- Member, Audit and Risk Management Committee of Icon Offshore Berhad
- Board Member of KLCC REIT Management Sdn. Bhd.
- Senior Independent Director of EnQuest PLC
- Member, Remuneration and Social Responsibility Committee of EnQuest PLC
- Chairman, Audit Committee of EnQuest PLC

Past Experience

- Board Member, Progress Energy Canada Ltd
- Chief Financial Officer, PETRONAS Chemicals Group Berhad
- Chief Financial Officer, PETRONAS Exploration & Production Business
- Chief Financial Officer, PETRONAS Carigali Group of Companies
- Senior Manager, Corporate Planning & Development Division, PETRONAS
- Senior Associate, Business Services, Coopers & Lybrand, Australia

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

PROFILE OF THE BOARD OF DIRECTORS



DATUK YEOW KIAN CHAI

Independent Non-Executive Director

Nationality



Age

73

Gender

Male

Date of Appointment

30 July 2020

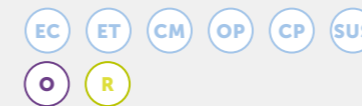
Length of Service

3 years 7 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



Academic/Professional Qualifications

- Master of Science in Marine Technology, University of Strathclyde, United Kingdom
- Bachelor of Science in Mechanical Engineering, University College London, United Kingdom

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad

Other public company:

- Nil

Present Appointments

- Chairman, Board Sustainability and Risk Committee of PETRONAS Gas Berhad
- Member, Nomination and Remuneration Committee of PETRONAS Gas Berhad

Past Experience

- Chairman of PETRONAS Abandonment Cess Fund Board of Trustee
- Independent Non-Executive Director of PETRONAS Carigali Sdn. Bhd.
- Independent Non-Executive Director of PETRONAS International Corporation Ltd.
- Advisor, PETRONAS Carigali Sdn. Bhd.
- Vice President, PETRONAS Chemicals Business
- Director, Project Interface Directorate
- Co-Champion PETRONAS OPI Initiative
- Chief Executive Officer, PETRONAS Chemicals Fertiliser Kedah Sdn. Bhd.
- Chief Executive Officer, PETRONAS Carigali (Turkmenistan) Sdn. Bhd.
- Head, Exploration and Production Technology Centre
- 35 years of extensive experience in oil and gas industry

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

PROFILE OF THE BOARD OF DIRECTORS



DATUK MARK VICTOR ROZARIO

Independent Non-Executive Director

Nationality



Age

59

Gender

Male

Date of Appointment

1 June 2021

Length of Service

2 years 9 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



Academic/Professional Qualifications

- Senior Management Programme/Business, Harvard Business School
- Chartered Accountant, Institute of Chartered Accountants in England and Wales, FCA
- Bachelor of Science, London School of Economics (LSE)

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad

Other public company:

- Nil

Present Appointments

- Chairman of Nomination and Remuneration Committee of PETRONAS Gas Berhad
- Chairman of Board Audit Committee of Bond Pricing Agency Malaysia Sdn. Bhd.
- Board Member of Pintar Projek Sdn. Bhd.
- Chairman of Board Audit Committee of Pintar Projek Sdn. Bhd.
- Director, Bond Pricing Agency Malaysia Sdn. Bhd.
- Member, Board Sustainability and Risk Committee of PETRONAS Gas Berhad
- Member, Board Audit Committee of PETRONAS Gas Berhad

Past Experience

- Chief Executive Officer, Adventa Berhad
- Chief Executive Officer of General Electric (Malaysia)
- Chief Executive Officer & Member of Governance Council at Agensi Inovasi Malaysia (AIM)/National Innovation Agency of Malaysia
- Group Managing Director of Country Heights Holdings Berhad
- Executive Director at Sunway Holdings Incorporated Berhad (now known as Sunway Berhad)
- Group Chief Financial Officer of Sunway Group
- Contoller, East Asia at Schlumberger Limited
- Manager at KPMG Peat Marwick (United Kingdom)

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

PROFILE OF THE BOARD OF DIRECTORS



SUJIT SINGH PARHAR S/O SUKHDEV SINGH

Independent Non-Executive Director

Nationality



Age

53

Gender

Male

Date of Appointment

15 July 2021

Length of Service

2 years 7 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



Academic/Professional Qualifications

- Postgraduate Certificate in Business Administration, University of Leicester, United Kingdom
- Bachelor of Engineering (Civil & Structural Engineering), Nanyang Technological University (N.T.U.), Singapore

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad

Other public company:

- Nil

Present Appointments

- Member, Board Sustainability and Risk Committee of PETRONAS Gas Berhad
- Member, Board Audit Committee PETRONAS Gas Berhad

Past Experience

- Director/Senior Advisor, Mubadala Investment Company, Abu Dhabi, United Arab Emirates
- Executive Director, Global Capital & Development Sdn. Bhd.
- Chief Executive Officer, Global Capital & Development Pte Ltd, Singapore
- Advisor, Global Capital & Development Pte Ltd, Singapore
- Advisor, National Central Cooling Company (Tabreed) Abu Dhabi, United Arab Emirates
- Chief Executive Officer, National Central Cooling Company (Tabreed) Abu Dhabi, United Arab Emirates
- Senior Vice President, Mubadala Investment Company, Abu Dhabi, United Arab Emirates
- Senior Vice President, SembCorp Industries Singapore/ MENA
- Manager, Keppel FELS ENERGY Pte Ltd, Singapore
- Civil Engineer, S.K Pui Chartered Consulting Engineers, Singapore

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

PROFILE OF THE BOARD OF DIRECTORS

PROFILE OF THE BOARD OF DIRECTORS

Academic/Professional Qualifications

- Advanced Management Programme, Harvard Business School
- Master of Petroleum Business Management, University of Adelaide, Australia
- Fellow, Institute of Chartered Accountants in England and Wales (ICAEW)
- Bachelor of Social Studies Accountancy, University of Exeter, United Kingdom

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad

Other public company:

- Nil

Present Appointments

- Senior Vice President, Corporate Strategy, PETRONAS
- Board Member of various companies in PETRONAS

Past Experience

- Vice President, Treasury, PETRONAS
- Member, Board Audit Committee, PETRONAS Gas Berhad
- Head, Corporate Strategic Planning, PETRONAS
- Head, Brunei Operations, PETRONAS Carigali Sdn. Bhd.
- Head, Strategic Planning, Petroleum Management Unit, PETRONAS
- Senior Manager, Corporate Planning and Development Division, PETRONAS

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers



MARINA MD TAIB

Non-Independent Non-Executive Director

Nationality



Age

51

Gender

Female

Date of Appointment

1 September 2019

Length of Service

4 years 6 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



HASLIZA OTHMAN

Non-Independent Non-Executive Director

Nationality



Age

56

Gender

Female

Date of Appointment

15 July 2021

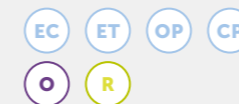
Length of Service

2 years 7 months

Number of Board Meetings Attended



Skills Matrix and Industry Experience



Academic/Professional Qualifications

- Masters of Sciences, Chemical Engineering, Texas A&M University, Texas, United States of America
- Bachelor of Science, Chemical Engineering, Texas A&M University, Texas, United States of America

Present Directorships

Listed issuer:

- PETRONAS Gas Berhad

Other public company:

- Nil

Present Appointments

- Senior Vice President, Malaysia Assets, Upstream Business PETRONAS
- Board Member of various companies in PETRONAS

Past Experience

- Head (Peninsular Malaysia), Malaysia Assets, Upstream, PETRONAS Carigali Sdn. Bhd.
- Head (Resource Development), Malaysia Petroleum Management, PETRONAS
- Head (Upstream Risk & Assurance), Upstream Business, PETRONAS
- General Manager (Field Development, Petroleum Resource Development), Petroleum Management Unit, PETRONAS
- Senior Manager (Front End Engineering, Field Development), Petroleum Management Unit, PETRONAS

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

COMPANY SECRETARIES



MEK YAM @ MARIAM HASSAN

FCIS(CS)(CGP)
Company Secretary

Nationality	Age	Gender
	50	Female

Professional Qualifications

- Chartered Company Secretary from the Institute of Chartered Secretaries and Administrators, United Kingdom
- Fellow of Malaysian Institute of Chartered Secretaries and Administrators



CIK AZIZAHWATI ISHAK

FCIS(CS)(CGP)
Company Secretary

Nationality	Age	Gender
	51	Female

Professional Qualifications

- Chartered Company Secretary from the Institute of Chartered Secretaries and Administrators, United Kingdom
- Fellow of Malaysian Institute of Chartered Secretaries and Administrators

LEADERSHIP TEAM


As at 29th February 2024




- | | | | |
|--|--|--|---|
| 1 ABDUL AZIZ OTHMAN
Managing Director/
Chief Executive Officer | 2 SHAHRUL AZHAM SUKAIMAN
Chief Financial Officer | 3 BURHAN ABDULLAH
General Manager,
Gas Transportation and
Regasification | 4 M NAZIR M NOR
Senior General Manager,
Gas Processing & Utilities |
| 5 FLORENCE OH YEOK KIM
Senior Manager, Strategic
Communications | 6 HARMAINI YAHYA
General Manager, HSE and
Business Excellence | 7 HISHAM MAULOT
General Manager, Business
Development & Commercial | 8 ROSNI HAMID
General Manager, Human
Resource Management |
| 9 MOHD AZLI HUSIN
General Manager, Self-Regulatory | 10 JAMADIL KHAIIRIAH MOHAMAD
General Manager, Legal Gas & Power | | |


PROFILE OF LEADERSHIP TEAM


PROFILE OF LEADERSHIP TEAM




ABDUL AZIZ OTHMAN
Managing Director/Chief Executive Officer


Scan to view video 


Nationality	Age	Gender
	58	Male




M NAZIR M NOR
Senior General Manager, Gas Processing & Utilities


Scan to view video 


Nationality	Age	Gender
	46	Male




BURHAN ABDULLAH
General Manager, Gas Transportation and Regasification


Scan to view video 

Nationality	Age	Gender
	56	Male



SHAHRUL AZHAM SUKAIMAN
Chief Financial Officer

Scan to view video 

Nationality	Age	Gender
	44	Male

Date of Appointment January 2021
Length of Service 3 years 2 months

Date of Appointment January 2023
Length of Service 11 months

Date of Appointment January 2017
Length of Service 7 years

Date of Appointment July 2022
Length of Service 1 year 7 months

Responsibilities

- Overall management and operations of the business, organisational effectiveness and the implementation of the Group's strategies and policies.

Responsibilities

- Overall management and operations of Gas Processing & Utilities in achieving business operation sustainability and long-term growth.

Responsibilities

- Overall management and operations of Gas Transportation and Regasification facilities by ensuring Safe, Reliable and Efficient pipeline network and regasification operations.

Responsibilities

- Overall Group's financial and fiscal aspects as well as risk management and investor relations.

Academic/Professional Qualifications

- Senior Executive Programme, London Business School
- INSEAD Programme, INSEAD Business School
- Bachelor of Science in Mechanical Engineering, George Washington University, United States of America

Academic/Professional Qualifications

- Bachelor of Civil Engineering, University Teknologi MARA (UiTM)
- Management Programme from Duke CE

Academic/Professional Qualifications

- Bachelor of Chemical Engineering from University of Texas A&M University - Kingsville Texas

Academic/Professional Qualifications

- Bachelor of Accounting (Hons), International Islamic University Malaysia (IIUM)
- Fellow, Association of Chartered Certified Accountants (ACCA)

Present Appointments

- Senior Vice President, Gas & Power, Gas Business PETRONAS
- Board Member of various companies in PETRONAS
- President, Malaysian Gas Association
- Regional Coordinator South & Southeast Asia, International Gas Union
- Member Executive Committee & Member Audit Committee, International Gas Union
- Malaysia Advisor Board, ASEAN Innovation Business Platform

Present Appointments

- MD/CEO, Malaysia Marine and Heavy Engineering Holdings Berhad
- Director, PETRONAS Energy and Gas Trading Sdn. Bhd.
- Director, CEFS Response Sdn. Bhd.

Present Appointments

- Nil

Present Appointments

- Director, Regas Terminal (Sg Udang) Sdn. Bhd.
- Director, Pengerang LNG (Two) Sdn. Bhd.
- Director, Kimanis Power Sdn. Bhd.
- Director, Kimanis O&M Sdn. Bhd.
- Director, Pengerang Gas Solutions Sdn. Bhd.
- Director, Industrial Gases Solutions Sdn. Bhd.
- Director, Sipitang Utilities Sdn. Bhd. [formerly known as Regas Terminal (Lahad Datu) Sdn. Bhd.]

Past Experience

- Chief Marketing Officer, PETRONAS LNG Limited
- Vice President, Strategy & New Ventures, PETRONAS Energy Canada Limited
- Head, Strategic Planning & Ventures, PETRONAS Chemicals Group Berhad
- Chief Executive Officer, Vinyl Chloride Malaysia Sdn. Bhd.
- General Manager, Centralised Utilities Facilities (CUF), PETRONAS Gas Berhad
- Head (Strategy & Business Planning), PETRONAS
- Manager (Corporate Issues), Business Planning & Development, PETRONAS

Past Experience

- Country Head (Argentina) & CEO PETRONAS E&P Argentina, PETRONAS (PCSB Argentina)
- Director, Infrastructure & Integration, PETRONAS Energy Canada Limited
- Head, PRGT Pipeline – Progress Energy, PETRONAS (Pacific North-West LNG Canada)
- Manager, LNG Pipeline & Integration, PETRONAS (Pacific North-West LNG Canada)
- Head, Transformation PMO – (People and Culture), PETRONAS Gas Berhad
- Head, Transmission East Malaysia Operation, PETRONAS Gas Berhad
- Manager, East Malaysia Operation, PETRONAS Gas Berhad
- Manager, Pasir Gudang Regional Operation, PETRONAS Gas Berhad
- Manager, Pipeline Operations Advisor & Engineering Manager, PETRONAS (PAPL Gladstone LNG Australia)

Past Experience

- Chief Executive Officer, Regas Terminal (Sg. Udang) Sdn. Bhd.
- Vice President Operations, Trans-Thai Malaysia (Thailand) Limited
- Senior Manager, Operations at Gas Processing Plant B at Santong, Paka, PETRONAS Gas Berhad
- Senior Manager, Operations at Gas Processing Plant A at Kertih, PETRONAS Gas Berhad
- Process Manager at Ethylene (M) Sdn. Bhd.

Past Experience

- General Manager (Finance Group & Corporate) PETRONAS
- Head of Finance, PT PETRONAS Niaga Indonesia
- Senior Manager (Financial Services and Treasury), PETRONAS Gas Berhad
- Senior Manager (Group Accounts and Performance), PETRONAS Chemicals Group Berhad
- Manager (Management Accounting - Group & Performance), PETRONAS Chemicals Group Berhad
- Manager (Gas & Power), President's Office PETRONAS

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries

Note:
M Nazir M Nor served as the Senior General Manager, Gas Processing & Utilities until 30th November 2023, and was replaced by Shahrul Izan Bakti A Aziz effective 1st December 2023.


Note:
Burhan Abdullah served as the General Manager, Gas Transportation and Regasification until 31st December 2023, and was replaced by Ir. M Nasahie Akbar Ali effective 1st January 2024.

Declaration


- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries


No conviction of any offences within the past five years other than traffic offences, if any
Does not hold more than five directorships in listed issuers

PROFILE OF LEADERSHIP TEAM



HISHAM MAULOT
General Manager, Business Development & Commercial

Scan to view video 

Nationality	Age	Gender
	49	Male

Date of Appointment August 2021
Length of Service 2 years 6 months

Responsibilities

- Overall PGB's strategic direction in delivering business growth and commercial matters.

Academic/Professional Qualifications

- Bachelor of Business Administration (Banking & Finance Management), Northwood University, Michigan, USA

Present Appointments


- Chief Executive Officer & Director, Pengerang LNG (Two) Sdn. Bhd.
- Director, Industrial Gases Solutions Sdn. Bhd.
- Director, Sipitang Utilities Sdn. Bhd. [formerly known as Regas Terminal (Lahad Datu) Sdn. Bhd.]
- Director, Regas Terminal (Pengerang) Sdn. Bhd.
- Director, PETRONAS Refinery and Petrochemical Corporation, Utilities and Facilities (PRPC UF) Sdn. Bhd.
- Director, Pengerang Power Sdn. Bhd. (PEPSB)

Past Experience


- General Manager, Marketing, PETRONAS Energy & Gas Trading
- Senior Manager, Business Development, PETRONAS Gas Berhad
- Head Downstream, PETRONAS Australia Pty Ltd
- Head, Risk Management, PETRONAS LNG
- Manager Strategy & Planning, Business Planning Department, PETRONAS Gas Berhad

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries
- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers



ROSNI HAMID
General Manager, Human Resource Management

Nationality	Age	Gender
	48	Female

Date of Appointment November 2021
Length of Service 2 years 3 months

Responsibilities

- Overall talent management and HR strategic partner supporting business leaders.

Academic/Professional Qualifications

- Bachelor of Business Admin (Honour), Universiti Utara Malaysia

Present Appointments

- Nil


Past Experience

- Head, Remuneration & Talent Services, Global HR Services, PETRONAS
- Senior Manager in various sections within HR Centralised Services, PETRONAS, which includes Benefits Management, Service Management & Strategic Planning & Business Solutions
- Manager, Vendor Management, HR Centralised Services, PETRONAS
- Team Leader of HR ICT Project, HR Division, PETRONAS
- Manager, Top Talent Development, HR Division, PETRONAS
- Manager, People Planning & Management, PETRONAS Methanol Labuan


Declaration

- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

PROFILE OF LEADERSHIP TEAM



JAMADIL KHAIIRIAH MOHAMAD
General Manager, Legal Gas & Power

Nationality	Age	Gender
	47	Female

Date of Appointment March 2023
Length of Service 11 months

Responsibilities

- Overall management of legal affairs of PGB Group.

Academic/Professional Qualifications

- Bachelor of Laws, University of Sheffield, England UK

Present Appointments


- Nil

Past Experience

- Senior Manager, SLC (ME & Central Asia), PETRONAS
- Senior Manager, SLC (PMA/JDA), PETRONAS
- Senior Manager, SLC (SK Oil), PETRONAS
- Senior Legal Counsel (Spec. Proj./Business Vent.), PETRONAS Gas Berhad
- Legal Counsel, PETRONAS Gas Berhad
- Legal Counsel (HR), PETRONAS
- Head (Legal Counsel), PETRONAS
- Manager (Legal Counsel – Nitro & Ind/Special Chem), PETRONAS
- Manager (Legal Counsel – Olefins & Polymers), PETRONAS

Declaration

- No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad
- No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries



HARMAINI YAHYA
General Manager, HSE and Business Excellence

Nationality	Age	Gender
	50	Male

Date of Appointment June 2021
Length of Service 2 years 6 months

Responsibilities

- Overall management of PGB business excellence, sustainability and HSSE governance.

Academic/Professional Qualifications

- Bachelor of Mechanical Engineering (Hons), Leeds University

Present Appointments

- Nil

Past Experience

- Manager, Inspection, PETRONAS Gas Berhad
- Head, Maintenance-GP3/4, FGRU & COGEN, PETRONAS Gas Berhad
- Manager, Project Management Department, PETRONAS Gas Berhad
- Manager, Mechanical & Civil Engineering, Plant Technical Services Department, PETRONAS Gas Berhad

Note:
Harmaini Yahya served as the General Manager, HSE and Business Excellence until 31st December 2023, and was replaced by M Fitri M Zain effective 1st January 2024.

Declaration

- No conviction of any offences within the past five years other than traffic offences, if any
- Does not hold more than five directorships in listed issuers

PROFILE OF LEADERSHIP TEAM

FLORENCE OH YEOK KIM
Senior Manager, Strategic Communications

Nationality	Age	Gender
	49	Female

Date of Appointment September 2021
Length of Service 2 years 5 months

Responsibilities
• Overall strategic communications and stakeholder management.

Academic/Professional Qualifications
• Bachelor of Arts (Communication - Advertising), Charles Sturt University, Australia

Present Appointments
• Nil

Past Experience
• Head, Research, Group Strategic Communications, PETRONAS
• Manager, Planning & Research, Corporate & Marketing Communication, PETRONAS Dagangan Berhad
• Head, Advertising & Promotions, Corporate & Marketing Communication, PETRONAS Dagangan Berhad
• Manager, Communication Management, Brand Department, PETRONAS Dagangan Berhad
• Brand Marketing Specialist, Chevron Malaysia Limited

MOHD AZLI HUSIN
General Manager, Self-Regulatory

Nationality	Age	Gender
	46	Male

Date of Appointment October 2021
Length of Service 2 years 4 months

Responsibilities
• Overall management of Self-Regulatory and statutory compliance of PGB.

Academic/Professional Qualifications
• Master of Science in Industrial & Technology Management, Universiti Kebangsaan Malaysia
• Bachelor of Engineering (Hons) in Mechanical Engineering, Universiti Teknologi PETRONAS

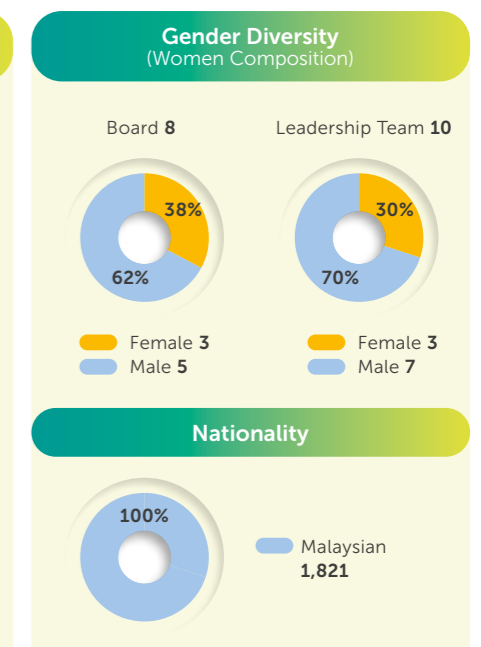
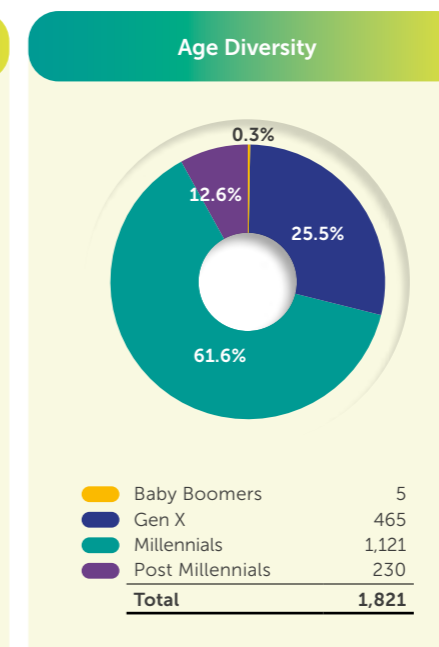
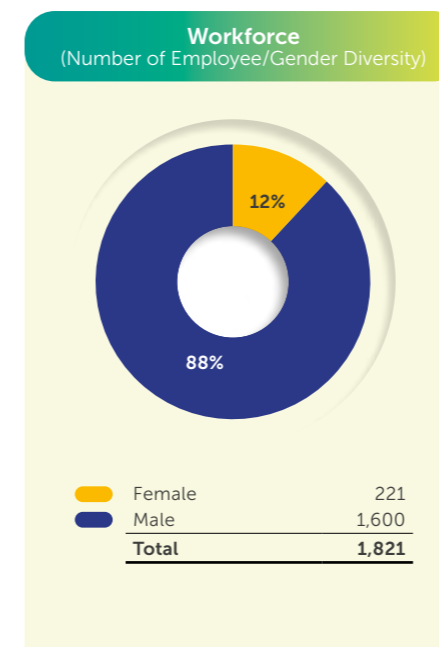
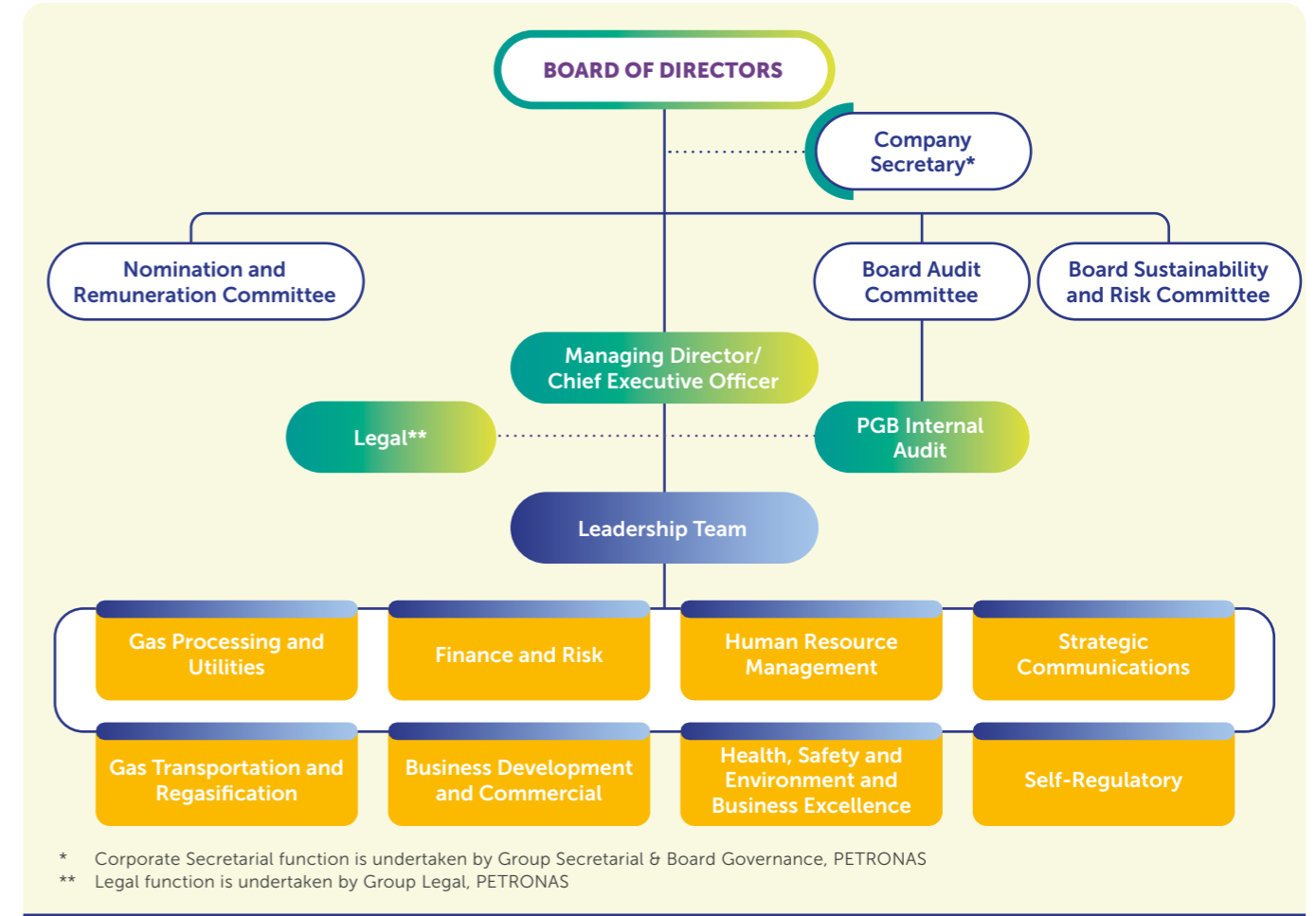
Present Appointments
• Nil

Past Experience
• Senior Manager (Regasification Terminal), Regas Terminal (Sungai Udang) Sdn. Bhd.
• Senior Manager (Southern Operation), PETRONAS Gas Berhad
• Senior Manager (Technical Services), Gas Transportation & Regasification, PETRONAS Gas Berhad
• Manager (Bintulu Regional Operation), PETRONAS Gas Berhad.
• Manager (Mechanical), Operation Engineering Department, PETRONAS Gas Berhad

Declaration

• No family relationship with any Director/Major Shareholder of PETRONAS Gas Berhad	• No conviction of any offences within the past five years other than traffic offences, if any
• No conflict of interest or potential conflict of interest, including interest in any competing business with PETRONAS Gas Berhad and its subsidiaries	• Does not hold more than five directorships in listed issuers

CORPORATE STRUCTURE



Note:
1. Data as at 31 December 2023.
2. Manpower generation data 2023 is based on the new definition, i.e. Baby Boomers (1965 and before), Gen X (1966 - 1979), Millennials (1980 - 1994) and Post Millennials (1995 and after).

CORPORATE INFORMATION

BOARD OF DIRECTORS

Adnan Zainol Abidin

Chairman
Non-Independent Non-Executive
Director

Abdul Aziz Othman

Managing Director/Chief Executive
Officer

Farina Farikhullah Khan

Senior Independent Non-Executive
Director

Datuk Yeow Kian Chai

Independent Non-Executive Director

Datuk Mark Victor Rozario

Independent Non-Executive Director

Sujit Singh Parhar s/o Sukhdev Singh

Independent Non-Executive Director

Marina Md Taib

Non-Independent Non-Executive
Director

Hasliza Othman

Non-Independent Non-Executive
Director

BOARD AUDIT COMMITTEE

Farina Farikhullah Khan (Chairman)

Datuk Mark Victor Rozario
Sujit Singh Parhar s/o Sukhdev Singh

BOARD SUSTAINABILITY AND RISK COMMITTEE

Datuk Yeow Kian Chai (Chairman)

Farina Farikhullah Khan
Datuk Mark Victor Rozario
Sujit Singh Parhar s/o Sukhdev Singh

NOMINATION AND REMUNERATION COMMITTEE

Datuk Mark Victor Rozario (Chairman)

Datuk Yeow Kian Chai
Farina Farikhullah Khan

SENIOR INDEPENDENT DIRECTOR

Farina Farikhullah Khan

PETRONAS Gas Berhad
Level 67, Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur

Email address:

farina.khan@petronas.com.my

COMPANY SECRETARIES

Mek Yam @ Mariam Hassan

SSM Practising Certificate No.
201908000788
(MAICSA 7030578)

Cik Azizahwati Ishak

SSM Practising Certificate No.
202008002944
(MAICSA 7060684)

REGISTERED OFFICE

Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur
Tel : +(603) 2331 5000

BUSINESS ADDRESS

Level 49 & 50, Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur
Tel : +(603) 2331 5000

INVESTOR RELATIONS

Suriyanti Nordin

Head of Investor Relations
Level 49 & 50, Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur

Email address:

ir.petronasgas@petronas.com

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.

Registration No. 199601006647
(378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor
Tel : +(603) 7890 4700
Fax : +(603) 7890 4670

Email address:

BSR.Helpdesk@boardroomlimited.com

AUDITORS

KPMG PLT

(LLP0010081-LCA & AF 0758)
Chartered Accountants
10th Floor, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya, Selangor
Malaysia
Tel : +(603) 7721 3388
Fax : +(603) 7721 3399

BANKING SERVICES PROVIDER

PETRONAS Integrated Financial Shared
Services Centre ("IFSSC")*

PLACE OF INCORPORATION AND DOMICILE

Malaysia

FORM OF LEGAL ENTITY

Incorporated on 23 May 1983 as a
private company limited by shares
under the Companies Act, 1965 and
converted into a public company
limited by shares on
28 March 1995

STOCK EXCHANGE LISTING

Listed on the Main Market of Bursa
Malaysia Securities Berhad
Listing date : 4 September 1995
Stock Name : PETGAS
Stock Code : 6033
Stock Sector : Utilities

WEBSITE

www.petronas.com/pgb

PETRONAS GAS BERHAD

Level 49 & 50
Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur
Malaysia
Tel : +(603) 2331 5000
Fax : +(603) 2331 6987/2051 6992

GAS PROCESSING

Gas Processing Plant, Kertih

KM 105, Jalan Kuantan-Kuala
Terengganu
24300 Kertih, Kemaman
Terengganu
Tel : +(609) 831 2345
Fax : +(609) 827 1710

Gas Processing Plant, Santong

KM 8, Kampung Tok Arun
Off Jalan Santong
23100 Paka, Dungun
Terengganu
Tel : +(609) 831 2345
Fax : +(609) 827 4578

Tanjung Sulong Export Terminal

Tanjung Sulong
24000 Kemaman
Terengganu
Tel : +(609) 831 2345
Fax : +(609) 863 1146

GAS TRANSPORTATION

Gurun Regional Office

KM 1 Jalan Jeniang
08300 Gurun
Kedah
Tel : +(604) 468 5518
Fax : +(604) 468 5519

Kertih Regional Office

KM 105, Jalan Kuantan-Kuala
Terengganu
24300 Kertih, Kemaman
Terengganu
Tel : +(609) 867 3515

Kuantan Regional Office

Lot 1, Sektor 1, Bandar Indera Mahkota
25200 Kuantan
Pahang
Tel : +(60) 139281909

Pasir Gudang Regional Office

PLO 332, Jalan Perak 4
Kawasan Perindustrian Pasir Gudang
81700 Pasir Gudang
Johor
Tel : +(607) 251 0333
Fax : +(607) 251 0400

Segamat Operation Centre

KM 10, Lebuhraya Segamat-Kuantan
85000 Segamat
Johor
Tel : +(607) 935 3000
Fax : +(607) 931 6521

Seremban Regional Office

KM 11, Jalan Seremban/Tampin
71450 Sungai Gadut
Negeri Sembilan
Tel : +(606) 677 6777
Fax : +(606) 677 7799

Shah Alam Regional Office

Lot 1, Jalan Jemuju Lima 16/13E
Kawasan Perindustrian Seksyen 16
40200 Shah Alam
Selangor
Tel : +(603) 5510 6222
Fax : +(603) 5510 1528

Sitiawan Regional Office

Lot 33263, Jalan Datuk Ahmad Yunus,
32000 Sitiawan
Perak
Tel : +(605) 692 5611
Fax : +(605) 692 5615

REGASIFICATION

Pengerang LNG (Two) Sdn. Bhd.

Tingkat 2
Bangunan Pengerang Terminal (Two)
Sdn. Bhd.
Lot PTD 4836, Jalan Damai 2
Kampung Sungai Kapal
81600 Pengerang
Johor
Tel : +(607)-817 7672

Regas Terminal (Sg. Udang) Sdn. Bhd.

Pejabat Operasi Regas Terminal
PETRONAS Penapisan Melaka
Persiaran Penapisan
76300 Sungai Udang
Melaka
Tel : +(606) 352 6007

UTILITIES

Utilities Plant, Kertih

Kertih Integrated Petrochemical
Complex
KM 105, Jalan Kuantan-Kuala
Terengganu
24300 Kertih, Kemaman
Terengganu
Tel : +(609) 831 2345

Utilities Plant, Gebeng

Lot 139A,
Gebeng Industrial Area Fasa III
26080 Kuantan
Pahang
Tel : +(609) 831 2345

JOINT VENTURES

Kimanis Power Sdn. Bhd.

KM 48, Kg. Batu Pungit
89607 Kimanis, Papar
Sabah
Tel : +(6088) 909000
Fax : +(6088) 909139

Pengerang Gas Solutions Sdn. Bhd.

Lot 137, ASU RAPID
Pengerang Integrated Complex
81600 Pengerang
Johor
Tel : +(607) 817 5915

* Banking requirements are managed centrally by IFSSC (except for Finance Service Reserve Account and Sukuk Trustees' Reimbursement Account of a subsidiary) to enable more efficient banking management for PGB Group.

NOTICE OF 41ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 41st Annual General Meeting (AGM) of PETRONAS Gas Berhad will be held virtually through live streaming from the Broadcast Venue (Virtual Studio), Meeting Rooms 401 - 402, Level 4, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia on Tuesday, 23 April 2024 at 10.00 a.m. to transact the following businesses:

ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.

Please refer to Explanatory Note A

- To re-elect the following Directors who retire by rotation in accordance with Article 107 of the Company's Constitution and being eligible, offer themselves for re-election:

- | | |
|--|-----------------------|
| (a) Datuk Mark Victor Rozario | (Resolution 1) |
| (b) Sujit Singh Parhar s/o Sukhdev Singh | (Resolution 2) |
| (c) Hasliza Othman | (Resolution 3) |

Please refer to Explanatory Note B

- To approve the Directors' fees and allowances payable to the Non-Executive Directors of up to an amount of RM2,500,000 with effect from 24 April 2024 until the next AGM of the Company. **(Resolution 4)**

Please refer to Explanatory Note C

- To approve the re-appointment of KPMG PLT, as Auditors of the Company for the financial year ending 31 December 2024 and to authorise the Directors to fix their remuneration. **(Resolution 5)**

Please refer to Explanatory Note D

- To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and Company's Constitution.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purposes of determining a member who shall be entitled to attend and vote at the forthcoming 41st AGM, the Company shall be requesting the Record of Depositors as at 16 April 2024. Only a depositor whose name appears on the Record of Depositors as at 16 April 2024 shall be entitled to attend and vote at the meeting as well as for appointment of proxy(ies) to attend and vote on his/her stead.

BY ORDER OF THE BOARD

MEK YAM @ MARIAM HASSAN (MAICSA 7030578) SSM Practising Certificate No. 201908000788
CIK AZIZAHWATI ISHAK (MAICSA 7060684) SSM Practising Certificate No. 202008002944
Company Secretaries

Kuala Lumpur
22 March 2024

NOTICE OF 41ST ANNUAL GENERAL MEETING

NOTES:

1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairman of the meeting to be present at the main venue of the meeting.

Shareholders **will not be allowed** to attend this AGM in person at the Broadcast Venue on the day of the meeting.

Shareholders are to attend, participate, speak (including pose questions to the Board via real time submission of typed texts) and vote (collectively referred as "participate") remotely at this AGM via the Remote Participation and Electronic Voting (RPEV) facilities provided by Boardroom Share Registrars Sdn. Bhd. (Boardroom) via Boardroom Smart Investor Portal (BSIP) at <https://investor.boardroomlimited.com>.

Please read these notes carefully and follow the procedures in the Administrative Guide for the AGM in order to participate remotely via RPEV.

2. PROXY AND/OR AUTHORISED REPRESENTATIVE

- A member who is entitled to participate in this AGM via RPEV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to participate at the meeting may appoint not more than two proxies to participate on his/her behalf provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities account it holds with ordinary shares of the Company standing to the credit of the said Securities account.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- Where a member or the authorised nominee appoints two proxies, or where an Exempt Authorised Nominee appoints two or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- A member who has appointed a proxy or attorney or authorised representative to participate at AGM via RPEV **must request his/her proxy or attorney or authorised representative to register himself/herself as user** via BSIP at <https://investor.boardroomlimited.com>. Procedures for RPEV can be found in the Administrative Guide for the AGM.
- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be deposited with Boardroom not less than 48 hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with:

 - Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor; or
 - email to bsr.helpdesk@boardroomlimited.com
 - By electronic means

The proxy form can be electronically lodged with Boardroom through BSIP at <https://investor.boardroomlimited.com>. Kindly refer to the Administrative Guide for the AGM on the procedures for electronic lodgement of proxy form via BSIP.
- Please ensure **ALL** the particulars as required in the proxy form are completed, signed and dated accordingly.
- Last date and time for lodging the proxy form is Sunday, 21 April 2024 at 10.00 a.m.

NOTICE OF 41ST ANNUAL GENERAL MEETING

- (j) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with Boardroom or at the address stated under item (g)(i)(a) above not less than 48 hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (k) For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with Boardroom at the address stated under item (g)(i)(a) above. The certificate of appointment of authorised representative should be executed in the following manner:
- (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by at least two authorised officers, of whom one shall be a director or any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (l) By submitting the duly executed Proxy Form, the member and his/her proxy(ies) consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of the 41st AGM and any adjournment thereof.

3. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia) all resolutions set out in the Notice of 41st AGM will be put to vote as a poll.

4. EXPLANATORY NOTES

Note A

Audited Financial Statements for the Financial Year Ended 31 December 2023

The audited financial statements are laid before the shareholders pursuant to the provision of Section 244(2)(a) of the Companies Act 2016 (CA 2016) for discussion only. The audited financial statements do not require shareholders' approval and hence, will not be put forward for voting.

Note B

Re-election of Directors who retire in accordance with Article 107 of the Company's Constitution

(i) Re-election of Directors who retire in accordance with Article 107 of the Company's Constitution

Article 107 of the Company's Constitution provides that one-third of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company provided always that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election at the AGM. A Director retiring at a meeting shall retain office until the close of the meeting whether adjourned or not.

At the forthcoming 41st AGM, three directors will be retiring in accordance with Article 107 of the Company's Constitution. They are Datuk Mark Victor Rozario, Sujit Singh Parhar s/o Sukhdev Singh and Hasliza Othman, whom being eligible for re-election have given their consent for re-election at the AGM.

Based on the results of the Board Effectiveness Evaluation conducted for financial year ended 31 December 2023, the performance of the retiring Directors met the performance criteria required of an effective Board and had successfully discharged their fiduciary duties in utmost good faith and participated actively in all discussions by providing their views of the issues discussed.

On the above basis, the Board approved the Nomination and Remuneration Committee's recommendation that the Directors who retire in accordance with Article 107 of the Company's Constitution namely, Datuk Mark Victor Rozario, Sujit Singh Parhar s/o Sukhdev Singh and Hasliza Othman are eligible to stand for re-election.

The profiles of the retiring Directors are set out in the Profile of the Board of Directors on pages 106 to 113 in the Integrated Report 2023 and pages 6 to 13 of the Governance and Financial Report 2023.

NOTICE OF 41ST ANNUAL GENERAL MEETING

Note C

Non-Executive Directors' Fees and Allowances

Pursuant to Section 230(1) of the CA 2016, the fees of the directors, and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a public company or a listed company and its subsidiaries, shall be approved at a general meeting.

The fees and allowances structure of the Non-Executive Directors (NEDs) of the Company is as follows:

- Monthly fixed fees for duties as Director/Chairman;
- Meeting allowance for each Board/Board Committee meeting attended; and
- Fuel allowance.

The Directors' fees and meeting allowances for Non-Independent Non-Executive Directors who are also employees of Petroliaam Nasional Berhad (PETRONAS) are paid directly to PETRONAS.

The shareholders at the last AGM held on 11 May 2023 approved the Directors' fees and allowances of up to an amount of RM2,500,000 for the period from 12 May 2023 until the next AGM of the Company. The actual Directors' fees and other benefits paid to NEDs for the said period was RM1,636,387.10.

The Directors' fees and allowances for the NEDs for the period from 24 April 2024 until the next AGM of the Company (Mandate Period) are estimated not to exceed RM2,500,000. The calculation is based on the estimated number of scheduled Board and Board Committees' meetings and on assumption that all the NEDs will remain in office until the next AGM. This resolution is to facilitate payment of the Directors' fees and allowances for the Mandate Period.

The Board will seek shareholders' approval at the next AGM in the event the Directors' fees and allowances proposed are insufficient.

The Company will retain its position to table a single resolution on the approval of the fees and allowances of the NEDs. The breakdown of the remuneration of the NEDs paid for financial year ended 31 December 2023 is disclosed in the Corporate Governance Report 2023 of the Company, which is published on PGB's corporate website, www.petronas.com/pgb.

Note D

Re-appointment of Auditors

The Board Audit Committee (BAC) had carried out an assessment on the performance, suitability and independence of external auditors based on the following four key areas:

- Quality of the audit engagement team and services;
- Adequacy of resources;
- Quality of communication and interaction; and
- Independence, objectivity and professional scepticism.

The annual assessment on the Company's External Auditors, KPMG PLT, was conducted in January 2024 whereby the BAC was satisfied with the performance and independence of the external auditors. Based on the assessment conducted, KPMG PLT met the criteria prescribed by Paragraph 15.21 of the MMLR of Bursa Malaysia.

The Board at its meeting held on 27 February 2024 approved the BAC's recommendation seeking shareholders' approval on the re-appointment of KPMG PLT as External Auditors of the Company for the financial year ending 31 December 2024.

Abstention from Voting

The NEDs of the Company who is a shareholder of the Company will abstain from voting Resolution 4 concerning remuneration of the NEDs.

Other Information

The Company has engaged independent scrutineers to count, audit and validate the votes or each proposal presented to shareholders.

ADMINISTRATIVE GUIDE FOR THE 41ST ANNUAL GENERAL MEETING (AGM) OF PETRONAS GAS BERHAD (THE COMPANY)

Date	: Tuesday, 23 April 2024	
Time	: 10.00 a.m.	
Broadcast Venue	: Meeting Rooms 401 - 402, Level 4, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia	

- The Company will conduct the 41st AGM on a virtual basis through live streaming and online remote voting via Remote Participation and Electronic Voting (RPEV) facilities which are available on Boardroom website at <https://investor.boardroomlimited.com>.
- The Broadcast Venue of the 41st AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be present at the main venue of the meeting. No shareholders/proxy(ies) from the public will be physically present at the Broadcast Venue on the day of the meeting.
- Shareholders are to attend, participate, speak (including pose questions to the Board via real time submission of typed texts) and vote (collectively referred as "participate") remotely at this 41st AGM via the RPEV facilities provided by Boardroom via Boardroom Smart Investor Portal (BSIP) at <https://investor.boardroomlimited.com>. You may also consider appointing the Chairman of the Meeting as your proxy to attend and vote on your behalf at the 41st AGM.

REMOTE PARTICIPATION AND VOTING

- The RPEV facilities are available on BSIP at <https://investor.boardroomlimited.com>.
- Shareholders are to participate remotely at the 41st AGM using RPEV facilities from Boardroom.
- Kindly refer to Procedures for RPEV as set out below for the requirements and procedures.

ADMINISTRATIVE GUIDE FOR THE 41ST ANNUAL GENERAL MEETING (AGM) OF PETRONAS GAS BERHAD (THE COMPANY)

PROCEDURES TO REMOTE PARTICIPATION AND ELECTRONIC VOTING VIA RPEV FACILITIES

Please read and follow the procedures below to engage in remote participation through live streaming and online remote voting at the 41st AGM using the RPEV facilities:

Before the 41st AGM Day

STEP 1: REGISTER ONLINE WITH BSIP

Note: This is a one-time registration. If you have already signed up with BSIP, you are not required to register. You may proceed to Step 2.

(Only for first time BSIP users)

- Open an internet browser. Latest versions of Chrome, Firefox, Safari, Edge or Opera are recommended.
- Go to BSIP at <https://investor.boardroomlimited.com>

Individual Account (For Shareholder & Proxy)

- Click Register to sign up for a user account and select the correct account type "Sign up as Individual".
- Complete the registration with all required information. Upload and attach your MyKad (front and back) or Passport in JPEG, PNG or PDF format.
- Click Sign Up.

[Note: Please ensure that you sign-up for Individual Account if you are an appointed proxy to attend the meeting]

Corporate Account (For Representative of Corporate Holder or Authorised Nominees)

- Click Register to sign up for a user account and select the correct account type "Sign up as Corporate Holder".
- Complete the registration by providing all the required information. Upload and attach your MyKad (front and back) or Passport in JPEG, PNG or PDF format, along with the **completed authorisation letter**.
- Click Sign Up.

[Note: If you are appointed as the authorised representatives for more than one (1) company, kindly click the home button and select "Edit Profile" in order to add your representation after your BSIP account has been approved.]

- You will receive an email from Boardroom for email address verification. Click "**Verify Email Address**" from the email received to continue with the registration process.
- Once your email address is verified, you will be re-directed to BSIP for verification of mobile number. Click "**Request OTP Code**" and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code for verification and click "**Enter**" to complete the registration process.
- Once your mobile number is verified, registration of your new BSIP account will be pending for final verification.
- An e-mail will be sent to you within one (1) business day informing on the approval of your BSIP account. Once account registration completed, you can login at BSIP at <https://investor.boardroomlimited.com> with the email address and password that you have provided during registration to proceed with the next step.

STEP 2: SUBMIT REQUEST FOR RPEV (APPLICABLE FOR INDIVIDUAL ACCOUNT ONLY)

The registration for RPEV will open from Friday, 22 March 2024 at 10.00 a.m. until the day of the 41st AGM on Tuesday, 23 April 2024.

For Individual account only

- Open an internet browser. Latest versions of Chrome, Firefox, Safari, Edge or Opera are recommended.
- Go to BSIP at <https://investor.boardroomlimited.com>
- Login your BSIP account with your registered email address and password.
[Note: If you do not have an account with BSIP, please sign-up/register with BSIP for free - refer to process "Step 1: Register Online with BSIP above.]
- Click "**Meeting Event**" and select "**PETRONAS GAS BERHAD 41st ANNUAL GENERAL MEETING**" from the list of companies and click "**Enter**".
- Go to "**VIRTUAL**" and click on "**Register for RPEV**".
- Check the box to register for RPEV and enter your 9 digits CDS account number.
- Read and check the box to accept the Terms & Conditions, then click "**Register**".
- You will receive a notification that your RPEV registration has been received and pending verification.
- Upon system verification against the General Meeting Record of Depositors ("General Meeting ROD") as at **16 April 2024** you will receive an email from Boardroom notifying you whether your registration has been approved or rejected.

ADMINISTRATIVE GUIDE FOR THE 41ST ANNUAL GENERAL MEETING (AGM) OF PETRONAS GAS BERHAD (THE COMPANY)

Appointment of Proxy

- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be deposited with Boardroom not less than 48 hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - In hard copy form
 - In the case of an appointment made in hard copy form, the proxy form must be deposited with:
 - Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor; or
 - email to bsr.helpdesk@boardroomlimited.com
- If Members wish to submit their Proxy Form electronically via BSIP, please refer to the procedures for electronic lodgement of Proxy Form as follows:

For Individual Shareholders, Corporate Shareholders

- Open an internet browser. Latest versions of Chrome, Firefox, Safari, Edge or Opera are recommended.
- Go to BSIP at <https://investor.boardroomlimited.com>
- Login your BSIP account with your registered email address and password.
[Note: If you do not have an account with BSIP, please sign-up/register with BSIP for free - refer to process "Step 1: Register Online with BSIP above.]
- Click **"Meeting Event"** and select **"PETRONAS GAS BERHAD 41st ANNUAL GENERAL MEETING"** from the list of companies and click **"Enter"**.

By Shareholder and Corporate Holder

- Select the Company that you are representing - for **Corporate Account user only**.
- Go to **"PROXY"** and click on **"Submit eProxy Form"**.
- Click on **"Submit eProxy Form"**
- Enter your 9 digits CDS account number and number of securities held.
- Select your proxy/proxies appointment – either the Chairman of the meeting or individual named proxy/proxies.
- Read and accept the Terms and Conditions and click **"Next"**.
- Enter the required particulars of your proxy/proxies.
- Indicate your voting instructions for each Resolution – FOR, AGAINST, ABSTAIN or DISCRETIONARY. If DISCRETIONARY is selected, your proxy/proxies will decide on your votes during poll at the meeting.
- Review and confirm your proxy/proxies appointment and click **"Submit"**.
- Download or print the eProxy Form as acknowledgement.

By Nominees Company

- Select the Nominees Company that you are representing.
- Go to **"PROXY"** and click on **"Submit eProxy Form"**.
- Click on **"Download Excel Template"** to download.
- Insert the appointment of proxy/proxies for each CDS account with the necessary data and voting instructions in the downloaded excel file template. Ensure inserted data is correct and orderly.
- Proceed to upload the duly completed excel file.
- Review and confirm your proxy/proxies appointment and click **"Submit"**.
- Download or print the eProxy form as acknowledgement.

Please note that the closing date and time to submit your proxy/proxies form is by **Sunday, 21 April 2024 at 10.00 a.m.**

ADMINISTRATIVE GUIDE FOR THE 41ST ANNUAL GENERAL MEETING (AGM) OF PETRONAS GAS BERHAD (THE COMPANY)

On The Day of The AGM

STEP 3: LOGIN TO BOARDROOM MEETING PORTAL

- Open an internet browser. Latest versions of Chrome, Firefox, Safari, Edge or Opera are recommended.
- Go to BSIP at <https://investor.boardroomlimited.com>
- Login your BSIP account with your registered email address and password.
[Note: If you do not have an account with BSIP, please sign-up/register with BSIP for free - refer to process "Step 1: Register Online with BSIP above.]
- Meeting platform will be made available at any time from 9:00 a.m. i.e. one hour before the commencement of the AGM at 10:00 a.m. on 23 April 2024.
- Click into **"Meeting Event"** and go to **"PETRONAS GAS BERHAD 41st ANNUAL GENERAL MEETING"** and then click **"Join Live Meeting"** to join the proceedings of the AGM remotely.
If shareholders have any question for the Chairman/Board/Management, they may use the Messaging window facility to submit their questions during the meeting. The Messaging window facility will open one (1) hour before the AGM which is from 9:00 a.m. on 23 April 2024.
- Once the voting has opened, click on the voting icon. The resolution and voting choices will be displayed.
- To vote, please select your voting direction from the options shown on screen. A confirmation message will appear to show your vote has been received.
- To change your vote, re-select another direction. If you wish to cancel your vote, please select Cancel.

Important Notes:

- The quality of the connectivity to the Virtual Meeting Portal for live webcast as well as for remote online voting is dependent on the bandwidth and the stability of the internet connection available at the location of the remote users.
- Recommended requirement for live webcast:
 - Browser: Latest versions of Chrome, Firefox, Edge, Safari or Opera.
 - Bandwidth: Minimum 9 Mbps stable speed for High Definition (HD) High Quality video quality or 12 Mbps for Extra HD (EHD) video quality.
 - Device with working and good quality speakers.
- You may not be able to gain access to the AGM via the RPEV facilities if your connecting device is on network with firewall and other security filtration. Seek onsite IT/technical support if required.

Entitlement to Participate and Vote

- Only shareholders whose names appear on the General Meeting ROD as at 16 April 2024 shall be eligible to participate at the AGM.
- If a shareholder is unable to participate at the AGM, he/she may appoint proxy/proxies, including the Chairman, to participate and vote on his/her behalf.
- If a shareholder wishes to participate in the AGM, they must not submit a Proxy Form. A shareholder will not be allowed to participate in the meeting if they have appointed proxy/proxies.

Revocation of Proxy

If a shareholder has submitted his/her proxy form prior to the AGM and subsequently decides to appoint another person or wishes to participate in the virtual AGM by himself/herself, please revoke the appointment of proxy/proxies at least forty-eight (48) hours before the AGM. Please find the below step for revocation on eProxy form or physical proxy form:

eProxy Form

- Go to **"Meeting Event"** and select **"PETRONAS GAS BERHAD 41st ANNUAL GENERAL MEETING"** from the list of companies and click **"Enter"**.
- Go to **"PROXY"** and click on **"Submit Another eProxy Form"**.
- Go to **"Submitted eProxy Form List"** and click **"View"** for the eProxy form.
- Click **"Cancel/Revoke"** at the bottom of the eProxy form.
- Click **"Proceed"** to confirm.

Physical Proxy Form

- Please write in to bsr.helpdesk@boardroomlimited.com to revoke the appointment of proxy/proxies.

Upon revocation, proxy/proxies appointed earlier will not be allowed to participate at the AGM. In such event, shareholders should advise their proxy/proxies accordingly.

ADMINISTRATIVE GUIDE FOR THE 41ST ANNUAL GENERAL MEETING (AGM) OF PETRONAS GAS BERHAD (THE COMPANY)

GLOSSARY

SUBMISSION OF QUESTIONS

Prior to the AGM

Members and proxies may submit questions before the AGM to the Chairman or the Board of Directors via BSIP at <https://investor.boardroomlimited.com> **no later than Sunday, 21 April 2024 at 10:00 a.m.** Click **"Submit Question"** after selecting **"PETRONAS GAS BERHAD 41ST ANNUAL GENERAL MEETING"** from **"Meeting Event"** to submit your questions.

During the AGM

If you have any questions for the Chairman or the Board of Directors, you may use the messaging window facility by clicking the messaging icon within the Boardroom Meeting Portal to submit your questions. The messaging window facility will open one (1) hour before the commencement of the AGM which is on 23 April 2024 at 10:00 a.m. and will remain open until such time that the Chairman announces the closure of the Q&A session. The Chairman or the Board of Directors will endeavour to address all questions received in relation to the AGM.

VOTING AT MEETING

- The voting at the 41st AGM will be conducted by way of poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia). The Company has appointed Boardroom to conduct the poll voting electronically (e-voting) via BSIP and Scrutineer Solutions Sdn. Bhd. as Independent Scrutineers to verify the poll results.
- Shareholders can proceed to vote on the resolutions before the end of the voting session which will be announced by the Chairman of the Meeting and submit your votes at any time from the commencement of the 41st AGM at 10.00 a.m. Kindly refer to **"Procedures to Remote Participation and Voting via RPEV Facilities"** provided above in order to participate remotely via RPEV.

RESULTS OF THE VOTING

- The resolutions proposed at the 41st AGM and the results of the voting will be announced at the 41st AGM and subsequently via an announcement made by the Company through Bursa Malaysia at www.bursamalaysia.com.

ANNUAL REPORT

- The Annual Report is available on the Company's corporate website at www.petronas.com/pgb and Bursa Malaysia's website at www.bursamalaysia.com under Company's announcements.
- You may request for a printed copy of the IR2023 and GFR2023 at <https://investor.boardroomlimited.com> by selecting **"Request for Annual Report"** under the **"Investor Services"** after logged in to BSIP.
- Kindly consider the environment before you decide to request for the printed copy of the Annual Report. The environmental concerns like global warming, deforestation, climate change and many more affect every human, animal and nation on this planet.

ENQUIRY

If you have any enquiries relating to the Boardroom Meeting Portal or proxy appointment prior to the AGM, or encounter any technical issues with participating in the virtual AGM, please contact Boardroom during office hours from Monday to Friday, 8:30 a.m. to 5:30 p.m. (except for public holidays):

Boardroom Share Registrars Sdn. Bhd.

General Line : +603 7890 4700
Fax number : +603 7890 4670
Email : bsr.helpdesk@boardroomlimited.com

Abbreviation	Meaning/Definition
ACC	Accelerating Cultural Change
ACCA	Association of Chartered Certified Accountants
ADTV	Average Daily Traded Volume
AGM	Annual General Meeting
AGO	Acid Gas Oxidiser
AI	Artificial Intelligence
AIM	Agensi Inovasi Malaysia
APBSP	Anugerah Penarafan Bintang Sasaran Penting
APPKN	Anugerah Keselamatan Kebakaran Nasional
ASU	Air Separation Unit
BAC	Board Audit Committee
BEE	Board Effectiveness Evaluation
BSRC	Board Sustainability and Risk Committee
BTA	Building Trust Awards
CAPEX	Capital Expenditure
CCS	Carbon Capture and Storage
CDE	Critical Data Element
CEO	Chief Executive Officer
CFA	Carbon Footprint Assessment
CFO	Chief Financial Officer
CoBE	Code of Conduct and Business Ethics
COC	Certification of Competency
COGEN	Cogeneration Plant
CUF	Centralised Utilities Facilities
DAS	Distributed Acoustic System
DOSH	Department of Occupational, Safety and Health
DPS	Dividend Per Share
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EI	Energy Index
EPS	Earning Per Share
ESG	Environmental, Social and Governance
FEL	Front-end Loading
FGRU	Flare Gas Recovery Unit
FID	Final Investment Decision
FOREX	Foreign Exchange
FSU	Floating Storage Unit
GATL	Gas Asia Terminal (L) Pte. Ltd.
GEES	Graduate Employability Enhancement Scheme
GHG	Greenhouse Gases

Abbreviation	Meaning/Definition
GP	Gas Processing
GPA	Gas Processing Agreement
GPK	Gas Processing Kertih
GPP	Gas Processing Plant
GPS	Gas Processing Santong
GPU	Gas Processing and Utilities
GRI	Global Reporting Initiative
GT	Gas Transportation
GTA	Gas Transportation Agreement
GTOPs	Gas Transmission Optimisation
GUCD	Gassing Up Cooling Down
GWh	Gigawatt Hour
HSE	Health, Safety and Environment
HSSE	Health, Safety, Security and Environment
IBR	Incentive-Based Regulations
ICPT	Imbalance Cost Pass-Through
ICT	Information and Communication Technology
IDC	International Data Corporation
IFSSC	Integrated Financial Shared Services Centre
IUUM	International Islamic University Malaysia
IKM	Institut Kimia Malaysia
INED	Independent Non-Executive Directors
IPIECA	International Petroleum Industry Environmental Conservation Associations
IPP	Independent Power Producers
IR	Industrial Relations
KAB	Kejuruteraan Asastera Bhd
KMt	Kilometric tonnes
KPI	Key Performance Indicators
KRA	Key Results Area
LDAR	Leak Detection and Repair
LNG	Liquefied Natural Gas
LOPC	Loss of Primary Containment
LT	Leadership Team
LTI	Lost Time Injury
MBI	Menteri Besar Terengganu (Incorporated)
MCCG	Malaysian Code on Corporate Governance
MD	Managing Director
MMLR	Main Market Listing Requirements
MMSCFD	Million Standard Cubic Feet Per Day
MNS	Malaysian Nature Society
MoU	Memorandum of Understanding
MPC	Malaysian Productivity Corporation

GLOSSARY

Abbreviation	Meaning/Definition
MRP	Malaysia Reference Price
MSOSH	Malaysian Society for Occupational Safety and Health
NCOSH	National Council for Occupational Safety and Health
NEDA	New Enhanced Dispatch Arrangement
NEP	National Energy Policy
NETR	National Energy Transition Roadmap
NINED	Non-Independent Non-Executive Directors
Nm3	Normal Cubic Meters
NPI	Net Positive Impact
NRC	Nomination and Remuneration Committee
NZCE	Net Zero Carbon Emissions
OE	Operational Excellence
OEE	Overall Equipment Effectiveness
OEMS	Operational Excellence Management System
OGMP	Oil & Gas Methane Partnership
OHSAS	Occupational Health and Safety Assessment Series
OOIA	OE R2 Overall Implementation Assessment
OPEX	Operating Expenditure
OSH	Occupational Safety and Health
OSHPoP	OSH Principle of Prevention
OTOBOS	On Time, On Budget, On Scope
PAT	Profit After Tax
PBPP	Programme Bakti Pendidikan PETRONAS
PBT	Profit Before Tax
PCCOM	PCC Oxyalkylates Malaysia Sdn. Bhd.
PDR	Product Delivery Reliability
PEMS	Predictive Emission Monitoring System
PEPSB	Pengerang Power Sdn. Bhd.
PFP	PETRONAS Financial Policy
PFS	PETRONAS Financial Standards
PGB	PETRONAS Gas Berhad
PGSB	PETRONAS Gas Sdn. Bhd.
PGU	Peninsular Gas Utilisation
PLT	Plant Leadership Team
PMHA	Prime Minister Hibiscus Award
POCS	PETRONAS Organisational Culture Survey
PPE	Property, Plant and Equipment
PRPC UF	PETRONAS Refinery and Petrochemical Corporation, Utilities and Facilities

Abbreviation	Meaning/Definition
RAPID	Refinery and Petrochemicals Integrated Development
RGT	Regasification
RGTEC	RGTSU Export Compressor
RGTP	Regasification Terminal Pengerang
RGTSU	Regasification Terminal Sungai Udang
RoSPA	Royal Society for the Prevention of Accident
RP2	Regulatory Period 2
RPV	Remote Participation and Voting
SESB	Sabah Electricity Sdn Bhd
SID	Senior Independent Director
SOC	Security Operation Centre
SOGCE	Sabah Oil and Gas Conference Exhibition
TCFD	Task Force on Climate-related Financial Disclosures
TCOT	Terengganu Crude Oil Terminal
TCP	Time Charter Parties
TNB	Tenaga Nasional Berhad
TOR	Terms of Reference
TSET	Tanjung Sulong Export Terminal
TTM	Trans Thai-Malaysia Sdn Bhd
TUA	Terminal Use Agreement
UAS	Automated Unmanned Aircraft System
UCC	Unit Cash Cost
UG	Utilities Gebeng
UK	Utilities Kertih
UNSDGs	United Nations' 17 Sustainable Development Goals
UOC	Unified Operations Centre
UT	Utilities
VDP	Vendor Development Programme
WACC	Weighted Average Cost of Capital
YoY	Year-on-year

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2021	2022	2023
Governance - Business Ethics and Transparency				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Board of Directors	Percentage	-	-	1.00
Employees	Percentage	-	-	99.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	-	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	-	-	0
Social - Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-	-	5,232,621.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	-	12
Social - Equal Opportunity, Diversity and Inclusion				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Leadership Committee (PGB LT) Under 30	Percentage	0.00	0.00	0.00
Leadership Committee (PGB LT) Between 30-50	Percentage	70.00	70.00	80.00
Leadership Committee (PGB LT) Above 50	Percentage	30.00	30.00	20.00
Senior Management (SM and GM) Under 30	Percentage	0.00	0.00	0.00
Senior Management (SM and GM) Between 30-50	Percentage	85.00	84.00	86.00
Senior Management (SM and GM) Above 50	Percentage	15.00	16.00	14.00
First Level Management (Manager) Under 30	Percentage	0.00	0.00	0.00
First Level Management (Manager) Between 30-50	Percentage	96.00	98.00	98.00
First Level Management (Manager) Above 50	Percentage	4.00	2.00	2.00
Non-Management (Executive, Non Executive, Secretary and TTS) Under 30	Percentage	12.00	15.00	16.00
Non-Management (Executive, Non Executive, Secretary and TTS) Between 30-50	Percentage	79.00	76.00	75.00
Non-Management (Executive, Non Executive, Secretary and TTS) Above 50	Percentage	9.00	9.00	9.00
Gender Group by Employee Category				
Leadership Committee (PGB LT) Male	Percentage	60.00	70.00	70.00
Leadership Committee (PGB LT) Female	Percentage	40.00	30.00	30.00
Senior Management (SM and GM) Male	Percentage	87.00	87.00	83.00
Senior Management (SM and GM) Female	Percentage	13.00	13.00	17.00
First Level Management (Manager) Male	Percentage	77.00	77.00	75.00
First Level Management (Manager) Female	Percentage	23.00	23.00	25.00
Non-Management (Executive, Non Executive, Secretary and TTS) Male	Percentage	89.00	89.00	89.00
Non-Management (Executive, Non Executive, Secretary and TTS) Female	Percentage	11.00	11.00	11.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	60.00	67.00	62.00
Female	Percentage	40.00	33.00	38.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	20.00	22.00	25.00
Above 50	Percentage	80.00	78.00	75.00

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2021	2022	2023
Environment - Mitigating Climate Change				
Bursa C4(a) Total energy consumption	Megawatt	17,686,111.00	18,011,111.00	17,111,111.00
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	5,916,446.00	5,754,544.00	5,859,402.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	74,627.00	49,762.00	49,165.00
Social - Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	1	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.09	0.08	0.08
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	-	1,544
Social - Talent Management				
Bursa C6(a) Total hours of training by employee category				
Leadership Committee (PGB LT)	Hours	202	276	834
Senior Management (SM and GM)	Hours	1,073	2,066	3,162
First Level Management (Manager)	Hours	3,993	3,964	9,219
Non-Management (Executive, Non Executive, Secretary and TTS)	Hours	203,820	109,074	177,463
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.20	1.00	0.70
Bursa C6(c) Total number of employee turnover by employee category				
Leadership Committee (PGB LT)	Number	1	1	1
Senior Management (SM and GM)	Number	7	3	3
First Level Management (Manager)	Number	10	2	0
Non-Management (Executive, Non Executive, Secretary and TTS)	Number	118	37	57
Social - Human Rights				
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	-	1	0
Social - Suppliers Social Impact				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	-	-	99.00
Governance - Cybersecurity and Data Privacy				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	-	-	0
Environment - Ensuring Water Security				
Bursa C9(a) Total volume of water used	Megalitres	3,531.000000	4,063.000000	4,168.000000
Environment - Environmental Management				
Bursa C10(a) Total waste generated	Metric tonnes	2,023.00	2,172.00	3,266.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	805.00	1,033.00	2,104.00
Bursa C10(a)(iii) Total waste directed to disposal	Metric tonnes	1,178.00	1,394.00	647.00

Internal assurance External assurance No assurance

(*)Restated

PETRONAS GAS BERHAD

Registration No. 198301006447 (101671-H)



PETRONAS

PROXY FORM for the 41st Annual General Meeting

Number of Ordinary Shares Held	
CDS Account Number	

I/We _____ NRIC/ Passport No/Company No: _____
(Full Name in Block Letters)

of _____ Telephone No: _____
(Full Address)

Email address: _____ being a member of PETRONAS Gas Berhad (the Company) hereby appoint:

Full Name (in Block Letters)	Proportion of Shareholdings	
	No. of Shares	%
NRIC / Passport No.		
Address		
Email address		
Mobile Phone No.		

and / or (delete as appropriate)

Full Name (in Block Letters)	Proportion of Shareholdings	
	No. of Shares	%
NRIC / Passport No.		
Address		
Email address		
Mobile Phone No.		

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 41st Annual General Meeting of the Company which will be held virtually through live streaming and remote participation and electronic voting from the Broadcast Venue (Virtual Studio), Meeting Rooms 401 - 402, Level 4, Kuala Lumpur Convention Centre, Kuala Lumpur City Centre, 50088 Kuala Lumpur Malaysia provided by the Company's share registrars via Boardroom Smart Investor Portal (BSIP) at <https://investor.boardroomlimited.com> on Tuesday, 23 April 2024 at 10.00 a.m. and at any adjournment thereof on the following resolutions referred to in the Notice of the 41st AGM. My/our proxy is to vote as indicated below:

No.	Resolutions	For	Against
1.	Re-election of Datuk Mark Victor Rozario as Director		
2.	Re-election of Sujit Singh Parhar s/o Sukhdev Singh as Director		
3.	Re-election of Hasliza Othman as Director		
4.	Approval of Directors' fees and allowances		
5.	Re-appointment of KPMG PLT as Auditors of the Company and authorise the Directors to fix their remuneration		

Note:

- Please refer to the Notice of 41st Annual General Meeting for full details of the proposed Resolutions.
- Please indicate with an "X" in the spaces above on how you wish to cast your vote. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.

Date : _____ 2024

Signature/Common Seal of Shareholder(s)

NOTES:

1. A member who is entitled to attend, participate, speak (including pose questions to the Board via real time submission of typed texts) and vote (collectively referred as "participate") in this AGM via Remote Participation and Electronic Voting (RPEV) facilities is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.
2. A member of the Company who is entitled to participate at the meeting may appoint not more than two proxies to participate on his/her behalf provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities account it holds with ordinary shares of the Company standing to the credit of the said Securities accounts.
4. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for the multiple beneficial owners in one Securities Account (omnibus account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. Where a member or the authorised nominee appoints two proxies, or where an Exempt Authorised Nominee appoints two or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
6. A member who has appointed a proxy or attorney or authorised representative to participate at AGM via RPEV must request his/her proxy or attorney or authorised representative to register himself/herself as user via <https://investor.boardroomlimited.com>. Procedures for RPEV can be found in the Administrative Guide for the AGM.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:

- (i) In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited with:
(a) Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor
(b) email to bsr.helpdesk@boardroomlimited.com
- (ii) By electronic means
The proxy form can be electronically lodged with <https://investor.boardroomlimited.com>. Kindly refer to the Administrative Guide for the AGM on the procedures for electronic lodgment of proxy form via BSIP.
8. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
9. Last date and time for lodging the proxy form is on Sunday, 21 April 2024 at 10.00 a.m.
10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with Boardroom or alternatively, the Customer Service Centre at the address stated under item (7)(i)(a) above not less than 48 hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
11. For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative with Boardroom or alternatively, at the address stated under item (7)(i)(a) above. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by at least two authorised officers, of whom one shall be a director or any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

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Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor, Malaysia

AFFIX STAMP
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www.petronas.com/pgb