PETRONAS GAS BERHAD
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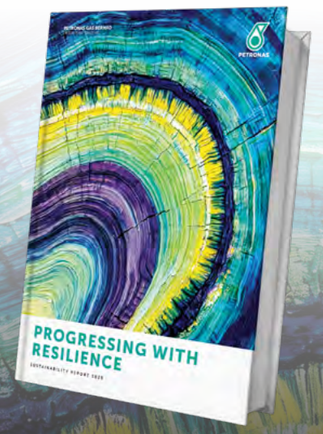
PETRONAS

PROGRESSING WITH RESILIENCE

SUSTAINABILITY REPORT 2025



This year's cover presents a powerful metaphor that captures the essence of our journey – the tree rings illustrate growth and resilience shaped over time.

Each tree ring symbolises steady progress, with each year adding depth and strength to our foundation. The circular feature echoes last year's cover, reinforcing continuity in our progress.

Our Reporting Suite

Integrated Report

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

Sustainability Report

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

Scan the QR code to access the full version of our Integrated Report 2025 and Sustainability Report 2025. The reports are also accessible online on the PGB website.

About This Report

PETRONAS Gas Berhad (PGB) presents its Sustainability Report (Report), which provides an overview of its environmental, social and governance (ESG) performance, key initiatives and impacts. The Report outlines how sustainability considerations are integrated into our decision-making, operations and risk management to support long-term value creation for stakeholders.

This Report reflects the sustainability issues that are most significant to our business and stakeholders, highlighting topics such as energy transition, carbon reduction, occupational health and safety, and governance.

Given the essential nature of our operations and their wide-ranging impacts, this Report shares how PGB navigates regulatory requirements, increasing climate-related risks and rising stakeholder expectations while pursuing opportunities. It also details how we balance operational reliability with environmental stewardship and social responsibility while contributing to Malaysia's development and energy transition.

Moving forward, we will continue to enhance our disclosures to provide stakeholders with a clear and balanced account of our progress, challenges and priorities as we advance towards a more sustainable and resilient future.

Scope and Boundary of Reporting

This Report is published annually and covers the period from 1 January 2025 to 31 December 2025 unless otherwise stated. It encompasses our principal business activities, including business segments, subsidiaries and joint venture operations.

Comparative data is presented where relevant to support year-on-year assessment. Any refinements to the reporting scope, organisational boundaries or methodologies are explained in the relevant sections of this Report.

Restatements of Information

Where appropriate, selected data have been restated to improve consistency in measurement or to reflect refined interpretations of applicable requirements. Any restatements are clearly identified in the relevant sections.

Reporting Frameworks

Sustainability reporting continues to evolve in response to regulatory developments and investor expectations. This Report is prepared in accordance to national standards and with reference to international standards that guide disclosures across the industry.

- Global Reporting Initiative Universal Standards 2021
- Sustainability Accounting Standards Board Standards
- FTSE4Good Bursa Malaysia Index ESG Indicators
- International Petroleum Industry Environmental Conservation Association, Sustainability Reporting Guidance for the Oil and Gas Industry (4th Edition)
- United Nations Sustainable Development Goals
- International Sustainability Standards Board's International Financial Reporting Standards S2

National Sustainability Reporting Framework Requirements

Malaysia's National Sustainability Reporting Framework (NSRF) mandates the adoption of the International Financial Reporting Standards S1 and S2 for companies listed on Bursa Malaysia's Main Market.

International Financial Reporting Standard S1 sets out the general requirements for the disclosure of sustainability-related financial information, while International Financial Reporting Standard S2 specifies climate-related disclosure requirements. These standards require organisations to disclose information on sustainability-related and climate-related risks and opportunities that could reasonably be expected to affect enterprise value over the short, medium and long term.

For the financial year ended 31 December 2025, PGB has reported its climate-related risks and opportunities in accordance with the International Financial Reporting Standards S2.

As a first-time adopter, PGB applied the transition reliefs available under these standards and exercised the proportionality mechanism in preparing these disclosures, taking into account data availability, measurement methodologies and the maturity of internal systems.

PG For more information, refer to the Sustainability Governance section on page 12, the Climate Change Management section on pages 41 to 60 and the IFRS S2 Content Index on pages 163 to 169 in this Report.

Our Reporting Principles

Material sustainability matters are determined based on business relevance and stakeholder significance. During the year, we reviewed regulatory developments, industry trends and stakeholder feedback to ensure that our disclosures reflect the realities of our operating environment.

Inputs considered include governmental acts and regulations, media analysis, PETRONAS policies and guidelines, peer benchmarking, internal audit findings, surveys and enterprise risk documentation. These inputs informed the prioritisation of the material matters disclosed in this Report.

In 2025, we enhanced selected disclosures to reflect evolving regulatory and market expectations. Our greenhouse gas (GHG) reporting includes Scope 1 and Scope 2 emissions, together with material Scope 3 categories identified through our latest Scope 3 materiality assessment.

The Scope 3 materiality assessment considered all 15 categories defined under the GHG Protocol Corporate Value Chain Standard (2011). Based on the magnitude of emissions, three categories were identified as material: Fuel and Energy-Related Activities (Category 3), Processing of Sold Products (Category 10) and Investments (Category 15).

Board Approval

The Board of Directors acknowledges its responsibility for the integrity of this Report. In its judgement, the disclosures provide a balanced account of our sustainability performance and address material matters relevant to the long-term interests of the Company and the stakeholders we serve.

Independent Assurance

In our commitment to upholding the credibility and accuracy of our sustainability disclosures, we engaged LRQA Group Limited to provide independent assurance on selected disclosures within this Report. The full assurance statement is available on pages 156 to 157.

Navigation Icons

PG This icon tells you where you can find more information inside this report.

Key Stakeholder Group

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

Material Matters

- Sustainable Value Creation
- Pollution Management
- Sustainable Supply Chain
- Climate Change Management
- Biodiversity Management
- Equal Opportunity, Diversity and Inclusion
- Energy Management
- Occupational Safety and Health
- Community Engagement
- Water Management
- Talent Management
- Business Ethics and Transparency
- Waste Management
- Human Rights Management
- Cybersecurity and Data Privacy

Feedback

We welcome feedback on this Report, which may be directed to:

PETRONAS Gas Berhad
Level 50, Tower 1
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur, Malaysia

Attention to Sustainability Reporting Team or email to
pgbstarcomms@petronas.com

Inside This Report

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Foreword by the Chairman of the Board Sustainability and Risk Committee

Dear Shareholders,

Amid an accelerating global and national energy transition, PGB enters the next phase of its sustainability journey with clearer focus on resilience, responsible growth and sustainable value creation. We have continued to strengthen governance, sharpen priorities and make deliberate choices that better position PGB for the future.

Sujit Singh Parhar
Chairman, Board Sustainability and Risk Committee

As the Chairman of the Board Sustainability and Risk Committee (BSRC), I am proud to present PGB's Sustainability Report 2025. This report sets out how we respond to the energy transition while outlining our priorities, actions and progress in managing risks, capturing opportunities and supporting Malaysia's evolving energy needs.

Delivering a Just and Systematic Energy Transition

The operating environment continues to evolve against the backdrop of energy transition, expanding disclosure requirements and heightened stakeholder scrutiny. For PGB, these developments are key considerations and are integrated into our robust risk management and capital allocation processes, while also supporting organisational readiness for the energy transition. The BSRC's responsibility is to ensure that all sustainability matters, particularly climate-related transitional and physical risks, are assessed with rigour and embedded into decision-making processes at the appropriate levels of the organisation.

Delivering an orderly transition that is aligned with national energy priorities requires sound judgement, particularly as regulatory frameworks continue to evolve. This includes anticipated introduction of carbon pricing mechanisms and the expansion of sustainability reporting standards. In this context, the Board plays a critical role in ensuring that management responses are measured, proportionate and anchored to PGB's mandate as the nation's gas infrastructure operator.

Over recent years, our governance structures and escalation pathways have been progressively strengthened to improve clarity of accountability, integration of risk considerations and quality of disclosures. As a result, PGB is now prepared to navigate emerging sustainability and regulatory challenges with greater coordination and capability. The BSRC will continue to exercise oversight to ensure that preparedness translates into consistent execution and long-term value preservation.

Leading Sustainability With Sound Board Oversight

Effective sustainability outcomes depend on sound governance and clear direction from the highest level. Over the past few years, PGB has progressively refined its governance structure to ensure sustainability and climate-related matters are deliberated at the appropriate level and integrated into enterprise-wide risk management.

At the working level, technical deliberations are undertaken by the Sustainability Working Committee, while broader risk and sustainability matters are discussed at the management level via the Sustainability and Risk Committee. At the Board level, the BSRC exercises strategic oversight, focusing on risk exposure, transition readiness and alignment with long-term corporate objectives. This structure is designed to ensure clarity of roles, structured escalation and accountability across the organisation.

In 2025, enhancements to the Terms of Reference of the relevant committees further clarified oversight responsibilities for climate-related risks and opportunities. These refinements strengthened integration between sustainability governance and enterprise risk processes, ensuring that climate and transition considerations are assessed alongside operational and financial risks.

The BSRC's oversight extends beyond structural design to the quality of deliberation. Sustainability and climate-related matters are reviewed with attention to financial implications, asset-level exposures and regulatory developments. This enables the Board committee to assess whether management responses are proportionate, aligned with PGB's mandate and supported by appropriate internal controls.

In addition, sustainability-related capability requirements are reviewed through the annual Board Effectiveness Evaluation (BEE), with the appropriate Board committee deliberating the identified gaps to guide capability strengthening priorities. This provides a structured basis for ensuring the committee continues to exercise informed oversight as sustainability expectations evolve.

Standing Together Through Challenges and Change

Achieved
RM1.8 billion
in profit after tax
reflecting steady cost discipline and stable operations

Recorded
RM6.4 billion
in revenue
supported by steady gas transportation and processing volumes

Foreword by the Chairman of the Board Sustainability and Risk Committee

Through this governance framework, sustainability considerations are not treated as standalone initiatives but embedded within strategic planning, risk evaluation and capital allocation processes. This integration strengthens decision-making and reinforces accountability across management levels.

Climate and Transition Risk Oversight

Climate and transition risks continue to evolve in complexity and potential impact. The BSRC's priority is to ensure that these risks are identified early, assessed rigorously and integrated into enterprise decision-making.

Climate-related risks with material enterprise impact are incorporated into PGB's Enterprise Risk Profile. This ensures they are subject to structured monitoring, mitigation planning and formal reporting through established governance channels. The committee reviews these risks in the context of asset integrity, operational continuity, regulatory exposure and potential financial implications.

In 2025, the approach to climate-related risk assessment was further refined to provide greater granularity in profiling exposures across locations and business segments. This enhancement improves visibility of how physical and transition risks may affect different segments of the business and supports more informed resource allocation and investment evaluation.

In addition, the BSRC also oversees transition-related exposures arising from evolving policy instruments, including the anticipated implementation of carbon pricing mechanisms in Malaysia. This includes monitoring developments related to the National Climate Change Act and the National Carbon Market Policy, which are expected to shape the design and timing of carbon pricing instruments. While the regulatory framework continues to develop, oversight is focused on ensuring that management evaluates potential implications through scenario analysis and maintains readiness to adapt strategy as policy clarity improves. By integrating climate and transition considerations into enterprise risk processes and investment governance, the BSRC seeks to ensure that PGB's long-term positioning remains aligned with national energy priorities while safeguarding financial resilience and operational stability.

Disclosure and Organisational Readiness

Sustainability disclosure expectations continue to expand in scope and depth, requiring enhanced governance, data integrity and organisational preparedness. The BSRC ensures that PGB's sustainability reporting reflects robust corporate governance, reliable data and sound judgement in the application of evolving standards.

In 2025, PGB advanced its alignment with the National Sustainability Reporting Framework (NSRF), building on prior adoption of the Task Force on Climate-related Financial Disclosures (TCFD). The improved alignment focused on the integration of governance, strategy, risk management and metrics within a coherent reporting framework. Particular attention was given to strengthening data validation processes, clarifying accountability for sustainability metrics and enhancing cross-functional coordination.

As standards evolve beyond climate, the BSRC continues to monitor regulatory developments and assess organisational readiness. Capability development at Board and management levels remains an important priority to ensure informed oversight and appropriate judgement in interpreting new requirements.

Through these efforts, reporting is treated not as a compliance exercise but as a reflection of governance quality and effective risk management. Strengthened processes over recent years have improved clarity of escalation, integration of sustainability considerations into decision-making and reliability of disclosures. This foundation positions PGB to meet expanding expectations with consistency and transparency.

Moving Forward

Looking ahead, sustainability and transition dynamics will continue to shape the regulatory and operating landscape. Policy developments such as carbon pricing, expanding disclosure standards and evolving stakeholder expectations will require ongoing vigilance and measured responses.

Over recent years, PGB has strengthened governance integration, refined risk assessment processes and improved disclosures. These enhancements have improved coordination across functions and clarified accountability at multiple levels of the organisation. As a result, PGB is better prepared to navigate emerging sustainability and regulatory challenges with greater consistency and confidence.

The BSRC will continue to focus on ensuring that sustainability considerations remain embedded within enterprise risk management, strategic planning and capital allocation decisions. Focus will be directed towards transition-related exposures, organisational capability development and the continued evolution of reporting standards. Through rigorous oversight, the Board seeks to safeguard business continuity while supporting sustainable value creation.

Gas Processing Santong

Acknowledgements

We acknowledge that progress in sustainability is never the result of individual effort, but reflects collective leadership, sound judgement and consistent execution across the organisation.

I would therefore like to acknowledge the many leaders, authorities and teams whose commitment and support have shaped PGB's sustainability progress over the year. The Board has played a critical role in setting the direction and exercising oversight to ensure sustainability remains firmly anchored to PGB's long-term purpose. I wish to record my appreciation to the MD/CEO, Abdul Aziz Othman, for his tremendous support in advancing PGB's sustainability agenda. At the same time, the Leadership Team has translated this direction into clear priorities and decisions that support effective execution across the business.

I would also like to recognise the Sustainability Team for driving the development and implementation of PGB's sustainability priorities, supported by the SWC, which continues to play an important role in guiding and coordinating efforts across functions. Our frontline teams and asset focal points deserve equal recognition for embedding sustainability considerations into daily operations and ensuring that commitments made at the corporate level are delivered on the ground.

Beyond the organisation, I extend my thanks to our key stakeholders, particularly the Ministry of Energy Transition and Water Transformation, the Ministry of Economy and the Malaysia Energy Commission, whose guidance has informed our contributions to the national energy transition and economic growth. Our appreciation also goes to the state governments and local agencies in the communities where we operate.

Looking ahead, PGB seeks to grow responsibly, meeting the nation's essential energy needs while making a meaningful and positive contribution to communities and broader social development.

Managing Director/Chief Executive Officer's Statement

Dear Shareholders,

Addressing the energy trilemma is fundamental to Malaysia's economic and social stability, with PGB playing an integral role in supporting this responsibility.

Abdul Aziz Othman
Managing Director/Chief Executive Officer

Leading the Way With Purpose and Integrity

As the nation's leading gas infrastructure and utilities company, we continue to strengthen our expertise in the energy sector while advancing our sustainability agenda through a rigorous yet pragmatic approach. In doing so, we are committed to meeting today's energy needs safely and reliably while preparing the business for a sustainable future.

Sustainable Value Creation

Strengthening Resilience, Enabled by Transition

National and regional energy transition policies continue to reshape how value is created across the energy sector. The focus on decarbonisation and energy security has reinforced the role of natural gas as a lower carbon option while also opening pathways for growth beyond the traditional model.

In this context, PGB continues to advance a Sustainable Value Creation approach that integrates sustainability into how we plan, invest and grow. Anchored in governance and capital allocation priorities, the approach balances delivering safe, reliable operations today with positioning the business for a lower carbon future. This includes aligning growth priorities with national transition roadmaps and applying a structured lens to climate-related financial considerations in investment evaluation.

Alongside operational reliability across our core businesses, we advanced selective diversification initiatives that are aligned with sustainable value creation. This includes unlocking value from existing infrastructure through targeted diversification and pursuing low-carbon opportunities and step-out ventures that leverage our Right of Way (ROW) and existing assets. In 2025, PGB achieved Final Investment Decision for the development of fibre optic infrastructure along the Peninsular Gas Utilisation ROW, targeted for commissioning in the first quarter of 2027. The project is intended to strengthen revenue resilience while contributing to Malaysia's digital infrastructure agenda.

To reinforce investment quality, sustainability considerations continued to be embedded into key business processes. Carbon Footprint Assessments (CFA) and exposure analyses form part of major project evaluations to assess climate-related financial risks, including potential carbon pricing, alongside commercial and technical considerations. During the year, CFAs were carried out across major growth projects spanning energy storage, energy efficiency solutions, gas infrastructure, digital connectivity and power generation.

Transition planning also progressed during the year. PGB revisited its Net Zero Carbon Emissions 2050 Pathway to reflect the Group's decarbonisation strategy and business growth profile, including the scale and sequencing assumptions for carbon capture and storage developments. As part of this recalibration, the interim milestone was reset from 2030 to 2035 to keep the pathway practicable and aligned to the expected maturation timeline of these developments.

We continued to integrate **climate-related risks into enterprise risk processes**, with enhanced granularity in profiling exposures across assets, locations and business models.

Environmental considerations now inform strategic planning, asset management and investment evaluation, **ensuring that climate-related financial implications** are considered alongside commercial and operational factors.

Execution is also shaped by the Sustainability Blueprint established in 2023. Since its introduction, PGB has advanced more than 30 blueprint initiatives, including seven initiatives in 2025. The blueprint is currently under review to ensure continued alignment with strategy and the operating landscape, with updates intended to be reflected in the 2026 reporting cycle.

Safeguard the Environment

Enhancing Climate Resilience and Transition Readiness

Environmental stewardship remains integral to how PGB manages risks, safeguards asset integrity and strengthens long-term resilience. In 2025, as regulatory scrutiny intensified and transition expectations accelerated, our focus shifted from compliance to structured execution, ensuring environmental considerations are embedded into operations, risk management and capital planning.

We continued to integrate climate-related risks into enterprise risk processes, with enhanced granularity in profiling exposures across assets, locations and business models. This strengthens management's ability to assess both physical and transition risks and to allocate resources in a prudent manner.

A key priority during the year was strengthening emissions management across the value chain. In 2025, PGB completed an assessment across all 15 categories of Scope 3 emissions to improve visibility of indirect emissions and align disclosures with evolving NSRF requirements under IFRS S2. The assessment enabled identification of material Scope 3 categories and strengthened the foundation for more consistent disclosures and management focus going forward.

Managing Director/Chief Executive Officer's Statement

Across operations, we maintained emphasis on prudent resource management, emissions control and waste minimisation. These measures contributed to improved energy and operational efficiency while reinforcing the role of gas infrastructure in supporting a lower carbon transition pathway.

In parallel, we strengthened internal readiness for evolving sustainability reporting expectations. Climate-related disclosures were further aligned with IFRS S2 requirements, supported by closer coordination across various departments. This has enhanced data governance, risk integration and disclosure quality, positioning PGB to respond to expanding expectations, including emerging nature-related and value chain reporting requirements.

Positive Social Impact

Empowering People, Partners and Communities

Our ability to operate safely and reliably is closely linked to the well-being of our people, the capability of our suppliers and the trust of the communities we serve. In 2025, we continued to strengthen these foundations to reinforce our social licence to operate and support long-term business resilience.

We sustained our focus on developing internal capability while extending expectations across our value chain. Through continued engagement with suppliers, including initiatives under the PETRONAS Supplier Support Programme, we advanced ESG awareness, disclosure readiness and decarbonisation capability across our ecosystem. A responsible and capable supply chain is essential to managing operational and reputational risks in a transitioning energy landscape.

During the year, the industry faced an unprecedented safety incident at Putra Heights that tested the resolve of our organisation. The incident required us to respond decisively while maintaining business continuity across the national gas network.

Immediately following the incident, we approached the situation with a clear focus on transparency, ensuring that engagement with affected and concerned communities was guided by fairness, empathy and care. Support for affected families was coordinated with state and federal agencies. PGB mobilised resources and volunteers at temporary relief centres for a period of two weeks to help ensure that families received assistance and were in a safe environment during a difficult period. Medical assistance was provided and we partnered with government agencies to contribute towards property repair assistance.

At the community level, we reinforced trust and deepened cooperation through programmes under PGBConnects. We also strengthened outreach along the pipeline ROW to provide clearer understanding of our operations and to encourage shared responsibility in areas where development intersects with our pipeline corridors.

Responsible Governance

Upholding Accountability, Transparency and Market Confidence

Sustaining value creation in an evolving energy landscape requires effective governance, clear accountability and informed decision-making. In 2025, we continued to enhanced governance structures and processes to ensure sustainability considerations are embedded into strategic direction, risk oversight and capital allocation.

At the management level, sustainability governance is anchored through structured escalation and deliberation mechanisms that enable technical assessment, cross-functional discussion and executive review of climate-related risks and opportunities. Climate risks with high enterprise impact are integrated into the Enterprise Risk Profile (ERP), ensuring they are subject to formal monitoring, mitigation planning and Board oversight. This integration strengthens alignment of risk identification, resource allocation and long-term strategy.

In anticipation of Malaysia's proposed carbon tax framework, we established a dedicated Carbon Tax Readiness Taskforce to assess potential implications and develop mitigation strategies. Through the application of internal carbon pricing and scenario-based exposure analysis, we have begun to evaluate potential impacts under different policy outcomes. While regulatory mechanisms continue to evolve, this preparatory work strengthens readiness and informs strategic planning.

Disclosure quality and data governance also remain central to maintaining market confidence. Our cross-functional approach supports more consistent data validation, clearer accountability for sustainability metrics and improved transparency in reporting. Some of the improvements we obtained from these collaborations included:

Governance

- Incorporated oversight of climate-related risks and opportunities into the TOR for the SRC and the SWC
- Enhanced knowledge and capabilities for Board members

Risk Management

- Expanded our risk assessment approach to include granularity of climate risk profiling, such as location and business models, for better understanding and measurement of the impact of the risks
- Integrated climate-related risks with high enterprise impact into PGB's ERP

Strategy

- Updated the profile for transition risks and opportunities (i.e. risk, financial impact and ratings, mitigation)
- Established physical risks and opportunities (i.e. asset damages and impact on business or value chain)

Metrics and Targets

- Conducted Scope 3 materiality assessment and disclosed material Scope 3 categories, which account for 95% of PGB's total GHG emissions

Our governance efforts continue to be reflected in external assessments. In 2025, PGB maintained its FTSE4Good rating score of 4.7 and received recognition in regional reporting and corporate governance benchmarks. While such assessments provide reference points, our focus remains on strengthening internal strategy and coordination, disclosure credibility and governance effectiveness to support enduring resilience and stakeholder trust.

Moving Forward

We anticipate continued evolution in sustainability disclosure expectations beyond climate, including emerging requirements related to biodiversity and human capital under frameworks such as the Taskforce on Nature-related Financial Disclosures and future IFRS Sustainability Disclosure Standards. In this context, we will continue to prioritise capability development by upskilling leadership and operational teams through targeted training and continuous learning, ensuring the organisation can respond effectively as expectations expand.

We will also continue refining our approach towards double materiality to quantify potential financial impacts of sustainability matters on the business. This will strengthen decision-making across capital allocation, risk management and strategic planning while enhancing the quality of disclosures.

As regional developments shape energy transition prospects, we will continue to explore and seize opportunities as part of our broader decarbonisation and transition approach, taking into account commercial viability, implementation readiness and evolving market structures.

At the same time, we are mindful of increasingly stringent expectations from investors. Through consistent engagement and proactive disclosure, we aim to maintain confidence and ensure that our sustainability priorities continue to align with stakeholder expectations and sustainable value creation.

Acknowledgements

As expectations continue to rise, we recognise the responsibility that comes with sound governance and focus on learning from experience, strengthening our practices and reinforcing trust, in support of long-term resilience and value. Sustainability will continue to be a demanding journey, requiring collective effort and sound governance.

With this in mind, I would like to thank the Board for its oversight and the Leadership Team for making the execution of our sustainability strategy and initiatives possible. I also extend my appreciation to PGB's Sustainability Team and the Sustainability Working Committee (SWC), who have continually ensured that our sustainability efforts were cascaded to the front line and asset focal points. Their dedication is highly appreciated and has helped to strengthen organisational alignment and delivery. PGB's frontline teams, asset focal points and employees also merit recognition for playing a critical role in translating our corporate commitments into measurable outcomes on the ground.

I would also like to acknowledge PETRONAS and the Ministry of Natural Resources and Environmental Sustainability (NRES) for their guidance and advice, and the many partnerships PGB has forged to create long-term value, especially Kumpulan Wang Simpanan Pekerja (KWSP), Kumpulan Wang Persaraan (Diperbadankan) (KWAP) and Permodalan Nasional Berhad (PNB) for their continued support in strengthening governance, financial resilience and sustainable value creation.

We will continue to advance our efforts across our sustainability priorities in a way that balances strategy, accountability and readiness for the energy transition. While external recognition provides useful affirmation of our progress, we will continue to embed sustainability into how we govern, operate and make decisions, so that the actions we take today contribute to enduring outcomes for our business, stakeholders and the nation.

Sustainability Scorecard

Sustainable Value Creation

Revenue
RM6.4 billion
2024: RM6.5 billion

Profit After Tax
RM1.8 billion
2024: RM1.9 billion

EBITDA
RM3.4 billion
2024: RM3.4 billion

Dividend Declared
72.0 sen per share
2024: 72.0 sen per share

Total Assets
RM19.8 billion
2024: RM18.8 billion

Market Capitalisation
RM35.9 billion
2024: RM35.0 billion

Average Salesgas Delivered
2,161 mmscfd
2024: 2,455 mmscfd

Land Area
5,203 hectares
2024: 5,145 hectares

Safeguard the Environment

GHG Emissions

Scope 1
5,475,205 tonnes CO_2e
2024: 6,074,946 tonnes CO_2e

Scope 2
73,305 tonnes CO_2e
2024: 51,319 tonnes CO_2e

Scope 3
Not Applicable*
2024: 1,445,976 tonnes CO_2e
* Due to a materiality assessment conducted in 2025, Scope 3 emissions will be disclosed in the next reporting cycle. For more information, refer to the Climate Change Management section on page 57.

Recover, Recycle, Reuse and Reduce (4R) Waste
5,067* metric tonnes
2024: 1,799 metric tonnes
* The increase is primarily attributed to the implementation of new 4R projects at PGB's facilities. For more information, refer to the Waste Management section on page 71.

Freshwater Withdrawal Reduction
2,500,000* m^3
2024: 66,500 m^3
* The significant decrease is due to the refurbishment of the Brine Reverse Osmosis system at Utilities Kertih. For more information, refer to the Water Management section on page 79.

Wastewater Discharge
788,121 m^3
2024: 1,012,932 m^3

Fines and Penalties
0
2024: 0

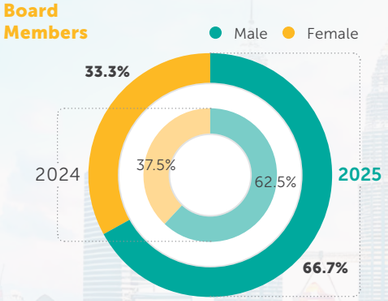
Positive Social Impact

Local Employment
100%
2024: 100%

Loss Time Injury Frequency
0.09
2024: 0.27

Employee Turnover Rate
2%
2024: 3%

Board Members



Total Training Hours
133,781
2024: 198,881

Permanent Employees
99.6%
2024: 98.1%

Employees with Disabilities
0
2024: 0

Recognised for Excellence

Responsible Governance

IFRS S1 and S2 Disclosure Compliance

- Progressed **PGB's alignment with International Financial Reporting Standards S1 and S2 disclosures,** which will strengthen the integration of sustainability-related risks and opportunities, including climate change, into enterprise risk management, governance and financial reporting

FTSE4Good Rating

- Maintained a FTSE4Good score of **4.7** in 2025

Reporting Awards

- **Gold Award,** Australasian Reporting Award
- **Best of Malaysia** and **Cover Design Categories**, Annual Report Competition Award, New York

Corporate Governance

- PGB was recognised among the **Top 50 ASEAN Public Listed Companies** at the **ASEAN Corporate Governance Awards**

Bloomberg ESG Score

5.36

- Improved ESG score from 5.31 in 2024 to **5.36** in 2025, surpassing the industry median

Awards and Recognitions

Gas Transportation

Malaysia Technology Expo 2025 – International Innovation Awards

- **Gold Award – Digital Management Asset Tracking**
  ICT Category
- **Silver Award – Automation of LNG Drain Spool System Project**
  Protection of the Environment: Water, Wastewater and Sanitisation Category
- **Bronze Award – Thermochromic Sticker for Hotspot Monitoring**
  Safety and Security Category

Sustainability Governance

Securing Tomorrow

Through Responsible Governance

While PGB had established sustainability governance structure by 2024, enhancements in 2025 were focused on deepening effectiveness, sharpening accountability and strengthening execution as regulatory expectations and disclosure standards continued to evolve.In 2025, our sustainability governance structure remained aligned with emerging sustainability frameworks and national energy transition policies.

Our governance structure provides clear accountability across the Board, management and working committees. This ensures that our sustainability priorities inform strategic planning, risk management and organisational performance, supporting progress towards the ambitions articulated in our Strategic Agenda and Sustainability Blueprint.

Sustainability Governance Structure

The Board's leadership and oversight of all sustainability matters are reinforced by:

PGB Board

Chaired by **Datuk Adif Zulkifli**, the Board leads and oversees PGB Group's business, which includes economic, environment and social considerations.

Board Sustainability and Risk Committee (BSRC)

Chaired by **En. Sujit Parhar (INED)**, the BSRC oversees the ESG, compliance and sustainability matters.

Sustainability and Risk Committee (SRC)

Chaired by **En. Aziz Othman (PGB MD/CEO),** the SRC reviews, deliberates and endorses sustainability matters prior to deliberation at the BSRC and Board level.

Sustainability Working Committee (SWC)

Chaired by **En. M. Zubir Ismail (Head of HSE and Sustainability)**, the SWC discusses and deliberates all PGB Sustainability Development matters (strategies, initiatives, issues, etc.) before implementation.

The **PGB Board** provides leadership and oversight to ensure PGB's operations uphold sustainability, integrity and compliance with applicable laws, rules and regulations. The Board considers economic, environmental and social factors in its quarterly meetings and has responsibility for the governance of sustainability, including setting sustainability strategies, priorities and targets.

The Board is supported by the **Board Sustainability and Risk Committee (BSRC)**. The BSRC's oversight includes climate-related issues with a specific focus on ensuring that Climate-related Risks and Opportunities (CRRO) are integrated into PGB's broader business strategy.

The BSRC evaluates CRROs identified through the climate risk assessment process, including their potential financial implications for major transactions and investment decisions. This includes reviewing how these risks are reflected in the Enterprise Risk Profile (ERP) and assessing their potential influence on PGB's business operations and strategy.

PG For more information, refer to Our Risk Assessment Approach on pages 48 to 49 in Climate Change Management in this report.

The Board considers trade-offs associated with CRROs as part of its decision-making process, balancing short- and long-term financial impacts with PGB's operations, while the BSRC deliberates these trade-offs when reviewing major transactions, investments and strategic initiatives to ensure alignment with PGB's long-term business resilience and sustainability agenda.

PG For more information on how climate-related trade-offs influence value creation, refer to Our Value Creating Business Model on pages 40 to 41 of the IR 2025.

The **Sustainability and Risk Committee (SRC)** provides management-level oversight of sustainability matters and offers assurance on risk management to the Board through its quarterly meetings. The SRC reviews, discusses and endorses sustainability matters before escalation to the BSRC and Board. Its responsibilities include reviewing the CRRO process, evaluating the adequacy of climate risk management strategies and policies and guiding the implementation and institutionalisation of climate risk practices across PGB. The SRC's Terms of Reference (TOR) has been refreshed to further clarify its roles and responsibilities.

The setting of CRRO targets is overseen by management and the Board through Leadership Team meetings, Board meetings, committee meetings and the Board Strategic Conversation platforms. Progress against climate-related targets is monitored monthly at the Leadership Team level, quarterly through the SRC and BSRC and annually through the Board Strategic Conversation.

The role of the **Sustainability Working Committee (SWC)** Chairman is delegated to the Head of the Health, Safety, Security and Environment (HSSE) and Sustainability Department. Comprising leaders and members of the four sustainability lenses, the SWC meets as required, with a minimum of quarterly meetings, and plays a pivotal role in embedding sustainability across PGB's value creation, growth ambitions and operations. The leaders of the lenses, who are working-level personnel from various departments, are accountable for the performance of their respective lenses.

In 2025, the TOR was updated to enhance the SWC's key functions, particularly in discussing and deliberating sustainability and climate-related issues, including its progress against targets. The SWC also considers risks and opportunities when reviewing policies, business strategies, risk management and expenditure.

Regasification Terminal Sungai Udang

Sustainability Governance

Sustainability Working Committee (SWC)

Objective

To provide a platform consisting of all crucial personnel to ensure all PGB sustainability development activities are adequately reviewed and executed in a timely manner

Deliverables

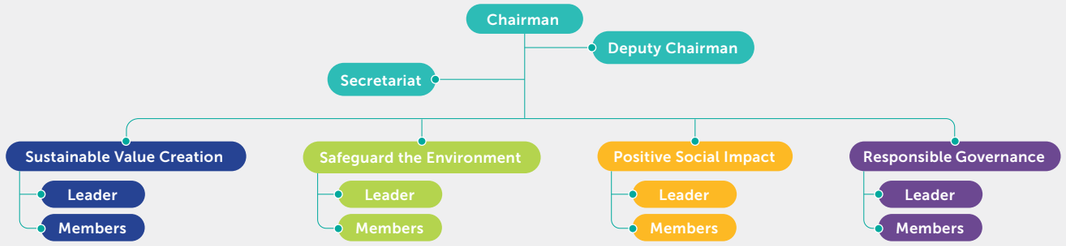
- Verified sustainability data for sharing with stakeholders
- Implementation plan and strategy for sustainability initiatives and flagship programmes
- Content for the annual PGB Sustainability Report, PGB sustainability website, etc

Key Functions

- Review all materials regarding Sustainability Development matters prior to sharing/obtaining endorsement/ approval from Division PLT/PGB LT/SRC/BSRC/Board
- Discuss and deliberate all PGB Sustainability Development matters (strategies, initiatives, issues, etc.) before implementation
- Discuss and deliberate sustainability and climate-related issues, including their progress against targets, and consider risks and opportunities during the review of policies, business strategies, risk management and expenditure
- Disseminate Sustainability Development-related information to stakeholders, such as internal PGB, Gas Business, Group HSSE, CSO, etc
- Obtain sustainability-related information from relevant departments for reporting, such as Sustainability Report, website, MSWG etc., and share with rating agencies such as FTSE, MSCI etc., which align with internationally recognised reporting frameworks such as GRI, TCFD, SASB, IPIECA, etc
- Ensure all related sustainability improvement initiatives and activities are implemented promptly and effectively
- Review materiality assessment and provide feedback on the material matters matrix, issues, risks and opportunities that impact both stakeholders and PGB

These enhancements reinforce the SWC's role in driving the Sustainability Blueprint and ensuring adherence and alignment with key regulatory and national policies such as the National Energy Transition Roadmap (NETR) and National Climate Change Policy 2.0 (NCCP 2.0).

PGB Sustainability Working Committee Structure



Chairman

- Develop and determine the most effective approach for integrating sustainability into PGB's business strategy, including through resource allocation, stakeholder communication and setting timelines and schedules
- Plan and oversee the implementation of all sustainability commitments
- Chair committee meetings and provide strategic direction for PGB's sustainable development initiatives
- Fulfil the attainment of PGB's sustainability milestones and objectives

Deputy Chairman

- Assume the Chairman's responsibilities in the Chairman's absence or when the position is vacant
- Collaborate with the Chairman and other members to guide PGB's sustainable development initiatives
- Support the attainment of PGB's sustainability milestones and objectives

Secretariat

- Coordinate SWC activities based on discussions and decisions made during SWC meetings
- Arrange logistical requirements for SWC activities
- Document all agreed action items and next steps to share with SWC members
- Track the implementation of agreed actions assigned to designated parties

Lens Leader

- Integrate sustainability practices into business operations.
- Perform gap analyses and implement measures to address identified gaps.
- Coordinate with relevant stakeholders as needed.
- Ensure the availability of adequate resources to support team responsibilities.
- Achieve and uphold metrics and objectives within their respective sustainability lens.

Lens Member

- Assist the Lens Leader in integrating specific sustainability practices within the asset.
- Act as a change agent within the asset or department.
- Identify gaps and recommend appropriate measures to address them at the asset or department level.
- Support the Lens Leader in engaging with relevant stakeholders when necessary.

Sustainability Governance

Integrated Decision-Making Processes

Embedding climate oversight within our sustainability governance structures ensures climate-related risks are managed through established governance and strategic processes. We have integrated climate-related risk considerations into the Risk Assessment Decision-Making (RADM) process to support consistent assessment of strategic, operational and financial implications.

Climate risk assessments are conducted through PGB's Enterprise Risk Management Framework (ERMF), where key risks and opportunities are identified and their implications are analysed to guide mitigation measures and inform investment evaluations. This structure provides clearer visibility of sustainability considerations across growth plans, capital allocation and long-term value creation.

Our controls and procedures for climate-related risks are integrated with key internal functions aligned with relevant risk themes, including HSSE, operational, climate and sustainability and project delivery. The SRC and SWC coordinate across these functions such as Finance, Legal, Sustainability and Business Development and Commercial to embed climate-related considerations into business planning, risk assessment and performance monitoring. Integration is achieved through regular reporting, cross-functional reviews and alignment with PGB's risk governance framework and internal control systems.

PG For more information, refer to Our Climate Risk Management Framework on page 48 in Climate Change Management in this report.

Skills and Competencies

PGB's Board and management enhance their knowledge on sustainability through training programmes, including the Mandatory Accreditation Programme II, a Bursa Malaysia-mandated programme that equips directors with competencies in ESG governance, sustainability oversight and reporting requirements. The required skills and competencies, including sustainability, are evaluated during the annual Board Effectiveness Evaluation. Any competency requirements identified are discussed with the Nomination and Remuneration Committee for implementation through the selection process or development programmes.

The Board also engages third-party consultants to provide targeted sustainability training to ensure that members are constantly equipped with updated skills and knowledge. At the staff level, sustainability roadshows were conducted across 11 assets in 2025 while training continued to be carried out for the Carbon Footprint Assessment and grievance mechanisms for relevant focal teams.

PG For more information on the Board's and Leadership Team's profiles and training programmes, refer to the Corporate Governance Overview Statement on pages 80 to 94 and page 110 of the IR 2025.

Linking Leadership Compensation to Climate Action

Sustainability performance indicators continue to form part of the remuneration structure for the MD or CEO, Leadership Team and senior executives. These indicators support the execution of PGB's Sustainability Agenda and Strategic Agenda while aligning with annual objectives and cascaded Key Performance Indicators (KPIs) across the organisation.

MD or CEO and Leadership Team	PGB's scorecards are incorporated with climate-linked metrics, including greenhouse gas (GHG) reduction and the Sustainability Blueprint. Performance is monitored monthly by the Leadership Team and quarterly at Board level.
Senior Executives	Climate performance forms part of annual KPIs, with GHG reduction remaining a key focus area. Additionally, FTSE4Good overall performance and climate-related indicators were also incorporated for 2025.

Note:
Due to confidentiality, PGB does not disclose the percentage of executive management remuneration recognised in the current reporting period that is linked to climate-related considerations.

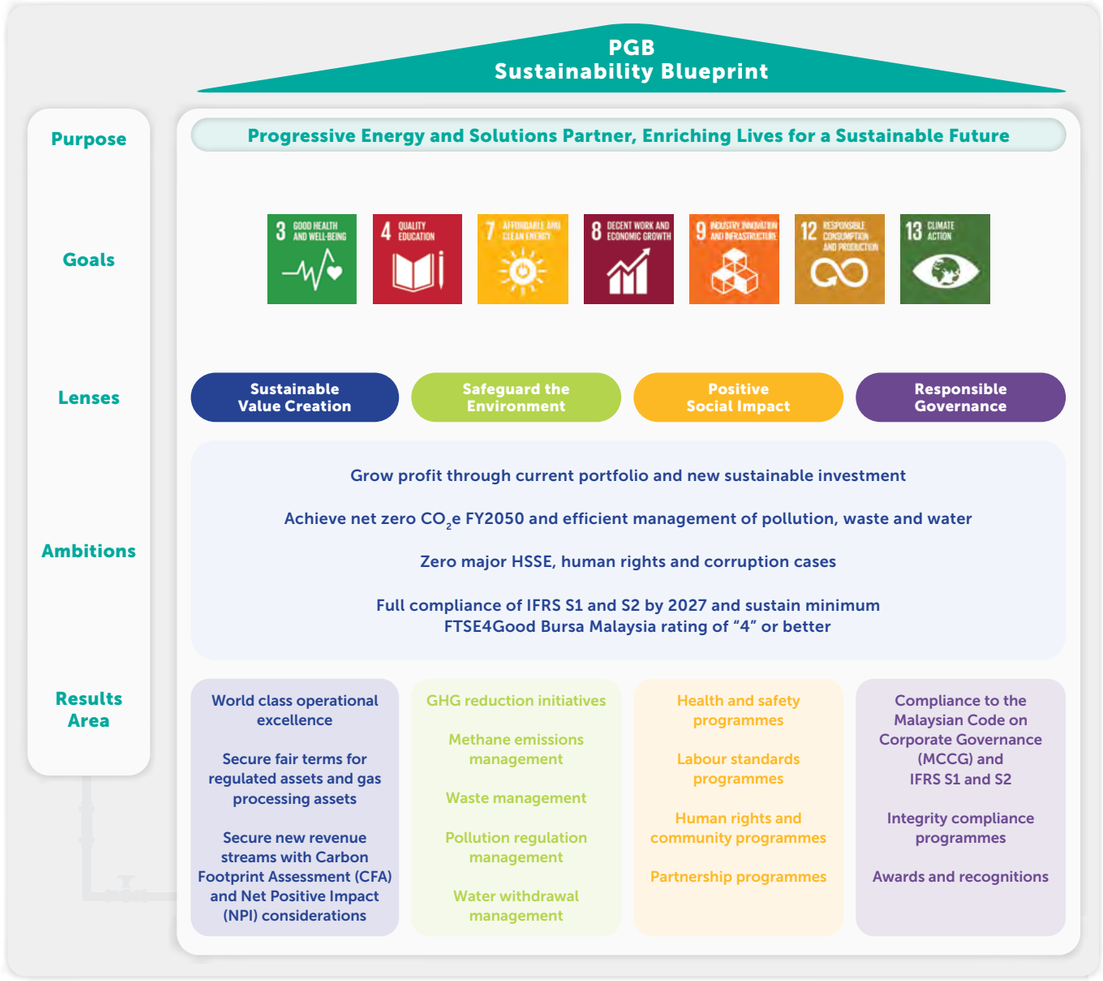
Integrating Sustainability Into Our Management Systems

Our commitment to operational and project excellence is underpinned by our Operational Excellence Management System (OEMS), which provides for safe, reliable and sustainable operations. The OEMS aligns with global standards such as ISO 45001:2018 Occupational Health and Safety Management Systems and ISO 14001:2015 Environmental Management Systems.

Sustainability has been incorporated as the fifteenth element (S15) of the OEMS since 2022 and is included in the annual Management System Review (MSR). Insights from the MSR guide continuous improvements to this element and reinforce the integration of sustainability across our business.

In our third year of MSR, we included the indicator for Carbon Footprint Assessment across departmental, divisional and business levels following the activation of the S15 element at the departmental level in 2024. We will continue to incorporate key sustainability indicators into the S15 element and embed sustainability considerations across all OEMS elements, including grievance indicators within element 02.06 social performance.

Sustainability Blueprint



The PGB Sustainability Blueprint serves as the foundation for our planning and delivery of sustainability priorities. The blueprint continued to guide us in 2025 and shaped our performance across the four lenses: Sustainable Value Creation, Safeguard the Environment, Positive Social Impact and Responsible Governance. It provides a clear framework that links our purpose to operational action, enabling us to manage risks, implement key initiatives and strengthen outcomes towards our strategic ambitions.

While we remain guided by the blueprint in implementing our 2025 key focus areas and initiatives, we are currently reviewing it to ensure our strategies continue to align with the changing sustainability landscape and stakeholder expectations, while strengthening its relevance to our evolving priorities.

Standards and Frameworks	• UN SDGs, with a focus on SDG 3, SDG 4, SDG 7, SDG 8, SDG 9, SDG 12 and SDG 13 • PETRONAS' Statement of Purpose: A Progressive Energy and Solutions Partner, Enriching Lives for a Sustainable Future	• GHG Protocol and OGMP 2.0 Framework • PETRONAS' NZCE 2050 Pathway • PETRONAS' Sustainability Agenda • Global ESG rating agencies' criteria

Determining Our Material Matters

Materiality Determination

Our sustainability material matters guide how we uphold excellence in operations and management, support long-term business growth and strengthen our KPI results. We generally review our materiality assessment every two years to identify the sustainability topics that are most significant to our business and stakeholders.

In 2025, we conducted a comprehensive materiality assessment, gathering insights from internal and external stakeholders through an online survey. The exercise offered a holistic view of our business context, external expectations and enterprise-level risks, providing a more robust evaluation compared to the proxy-based approach used in 2023. Moving forward, we plan to conduct double materiality assessments to evaluate sustainability matters through both impact and financial lenses. The process will enable us to gradually quantify the financial impacts of our material matters and enhance informed decision-making, capital allocation and risk management, while maintaining a clear focus on business continuity, energy security and shareholder returns.

1 Identification

Material matters are identified through a gathering of internal and external feedback and comprehensive research to identify the list of sustainability topics.

This involves assessing the business environment, operational factors and resource dependencies while considering financial, reputational, operational, environmental, social, strategic and legislative factors. Based on the matters identified, we deliberate potential risks and opportunities across the scope of each of these factors.

2 Prioritisation

Material matters are prioritised based on the outcomes of the online survey among key external and internal stakeholders, particularly members of the Leadership Team (LT) and the Board. The rankings of the material matters are plotted on a Material Matters Matrix to reflect their significance to PGB and its stakeholders.

3 Validation

The prioritised list of material matters is reviewed by the sustainability governance platforms and subsequently submitted to the Board for endorsement.

4 Continuous Monitoring and Risk Assessment

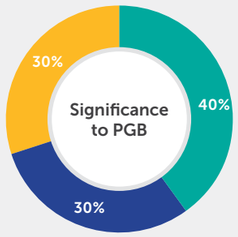
Once integrated into our strategy, the performance and risk elements related to each material matter are continuously monitored and benchmarked through key performance indicators and focus areas cascaded from the LT.

The PGB Board provides leadership and oversight to ensure that PGB's operations uphold sustainability, integrity and compliance with applicable laws, rules and regulations. As the highest governance body, the Board is responsible for identifying, evaluating, monitoring and managing economic, environmental and social (EES) risks and opportunities. This includes considering EES factors in its quarterly meetings and being accountable for PGB's sustainability goals and targets through setting sustainability strategies and priorities.

Survey Inputs from PGB's Key External Stakeholders
21 Stakeholders, across all **7** categories + **150** Employees

Benchmarking with Sustainability Reporting Standards
4 Standards

Benchmarking with Industry Peers
7 Peers



Survey Inputs from PGB's Key Internal Stakeholders
6 Board Members, **10** Leadership Team Members

Alignment with Enterprise Risk Profile (ERP)
PGB ERP Principal Risks

Alignment with PETRONAS
PETRONAS' Material Topics

Note:
The seven categories of stakeholders are Investors and Funding Institutions, Customers; Business Partners; Suppliers and Vendors; Employees and Unions; Government Agencies and Authorities; Communities and Non-Governmental Organisations and the Media.

The materiality matrix was developed using weighted inputs that considered both stakeholder perspectives and organisational significance. The process incorporated benchmarking against industry peers and recognised sustainability reporting standards, as well as survey responses gathered from seven stakeholder groups. We further assessed organisational significance by aligning the material matters with PETRONAS' material topics, ERP principal risks and inputs from the Leadership Team and the Board.

The assessment confirmed that the material topics identified in 2023 remain relevant and continue to represent significant operational exposures and stakeholder priorities for PGB. The updated matrix reflects the revised positioning of the material topics following the assessment.

Outcome from the Comprehensive Materiality Assessment

Economic
1 Sustainable Value Creation

Environment
2 Climate Change Management
3 Energy Management
4 Water Management
5 Waste Management
6 Pollution Management
7 Biodiversity Management

Social
8 Occupational Safety and Health
9 Talent Management
10 Human Rights
11 Sustainable Supply Chain
12 Equal Opportunity, Diversity and Inclusion
13 Community Engagement

Governance
14 Business Ethics and Transparency
15 Cybersecurity and Data Privacy

Determining Our Material Matters

Risks and Opportunities Related to Our Material Matters

As part of our approach to managing material matters, we actively monitor the risks and opportunities associated with each topic, enabling us to implement targeted strategies and drive progress in identified actionable areas.

Sustainable Value Creation

Risks

- Challenges in securing and delivering growth projects effectively
- Unsustainable profitability from non-regulated businesses
- Challenges in achieving fair tariffs for regulated businesses

Opportunities

- Explore growth opportunities in core and adjacent domains
- Expand into non-regulated businesses
- Explore low-carbon and green opportunities beyond traditional gas and utilities businesses

Energy Management

Risks

- Inefficient energy use

Opportunities

- Enhance operational energy efficiency across facilities and processes
- Deploy energy optimisation projects (e.g. waste-to-energy, energy recovery)

Climate Change Management

Risks

- Continuous emissions from combustion, flaring and venting
- Failure to adapt to climate change (transition or physical risks)

Opportunities

- Implement renewable energy solutions
- Utilise carbon abatement technologies
- Venture into carbon credit trading and the carbon market to address carbon mechanisms
- Leverage the outcome from the physical risk assessment to ensure resilient infrastructure and adaptation solutions
- Address potential issues arising from new requirements or regulations issued by authorities
- Execute PGB's NZCE 2050 pathway

Waste Management

Risks

- Risk of environmental law or regulation breaches
- Reputational and operational damage from non-compliance

Opportunities

- Improve the performance of facilities and processes
- Ensure strict compliance with environmental regulations and licensing requirements
- Promote circular economy through 4R initiatives
- Demonstrate product stewardship
- Execute PGB's Waste Roadmap

Water Management

Risks

- Risk of regulatory fines or penalties for non-compliance
- Negative impacts on waterway due to overuse of water resources

Opportunities

- Implement water conservation initiatives
- Uphold effective wastewater management practices
- Execute PGB's Water Roadmap

Biodiversity Management

Risks

- Irreversible damage to natural habitats
- Legal and reputational impacts from biodiversity and ecological incidents

Opportunities

- Conduct biodiversity and ecological risk assessments for all new projects, facilities and processes
- Avoid or minimise impact on protected areas, key biodiversity areas and UNESCO World Heritage Sites
- Implement Biodiversity Action Plan (BAP) for new operations and projects to achieve a Net Positive Impact on nature and biodiversity

Pollution Management

Risks

- Risk of environmental law or regulatory breaches
- Reputational and operational damage from non-compliance

Opportunities

- Upgrade the performance of facilities and processes
- Ensure strict compliance with environmental regulations and licensing requirements
- Ensure air and water quality for surrounding communities through responsible operations

Determining Our Material Matters

Occupational Safety and Health

Risks

- Health, Safety, Security and Environment (HSSE) performance issues or incidents, resulting in workplace harm, operational disruption and reputational impact
- Non-compliance with occupational safety and health requirements, leading to prosecution, fines or penalties under relevant legislation

Opportunities

- Foster HSE Generative Culture through employee commitment
- Enforce strict health and safety standards across all projects, facilities and processes
- Conduct HSE assurance for growth and major CAPEX projects

Talent Management

Risks

- Insufficient skilled talent to drive sustainable value creation and growth

Opportunities

- Uphold and improvise structured capability-building and training programmes for core and growth-related skills

Human Rights

Risks

- Risk of unethical hiring practices (e.g. forced labour) in operations, causing reputational damage

Opportunities

- Ensure compliance with ethical hiring and labour practices across all projects, facilities and processes
- Implement PGB's Human Rights Policy

Sustainable Supply Chain

Risks

- Inefficient manpower or resource management in the supply chain
- Reputational damage due to human rights or suppliers' violations

Opportunities

- Encourage supply chain to adopt sustainability practices through the PETRONAS Supplier Support Programme (PSSP)
- Enhance suppliers' capabilities in enhancing sustainability performance

Equal Opportunity, Diversity and Inclusion

Risks

- Low morale and motivation in the workplace due to poor business practices

Opportunities

- Promote progressive workplace practices, ensure equal opportunity and encourage diversity of thought

Community Engagement

Risks

- Failure to deliver on community expectations or commitments
- Negative impacts arising from social media allegations

Opportunities

- Invest consistently in long-term community welfare, education, environmental stewardship and social development initiatives

Business Ethics and Transparency

Risks

- Risk of misconduct, corruption and unethical business practices, leading to reputational damage and potential prosecution or penalties from relevant regulators

Opportunities

- Conduct employee training on corporate values, business ethics and expected conduct
- Uphold and improvise robust governance, transparency and accountability

Cybersecurity and Data Privacy

Risks

- Disruption to business operations and erosion of customer trust due to system failures and data breaches from evolving cybersecurity and data privacy threats

Opportunities

- Foster cybersecurity awareness among personnel through e-learning modules and regular phishing tests
- Adopt advanced threat-protection measures across operations
- Maintain 24/7 network monitoring and centralised security operations

Engaging Our Stakeholders

We engage regularly with key stakeholder groups to understand their priorities and how our activities affect them. Insights from these engagements inform strategic planning, risk management and operational decisions, ensuring that the Group's actions remain aligned with stakeholder expectations and long-term value creation.

Through various engagement channels, we communicate our performance, strategic priorities and sustainability commitments while gathering feedback that helps refine our approach to governance, operations and investment decisions. This process strengthens accountability and supports integrated thinking across the organisation, enabling management to balance stakeholder interests while advancing sustainable value creation.

The table below outlines our key stakeholder groups, the primary engagement channels and the frequency of these interactions.

Frequency A As required W Weekly M Monthly Q Quarterly Y Yearly

Investors and Funding Institutions

Why We Engage	What We Offer
• Enhance financing and capital market opportunities • Maintain share liquidity • Foster open communication with investors for informed investment decisions • Uphold transparency with shareholders and the investment community	• A stable investment profile with steady share price performance and low volatility • Alignment between business activities and strategic goals • Integration of sustainability and governance into business practices • Ability to sustain attractive shareholder returns
Key Concerns	**Our Response**
• Emerging risks due to adjacent developments • Progress on growth initiatives • Evolving sustainability practices and disclosure requirements • Stability of shareholder returns • Changing investor focus from oil and gas sectors due to environmental concerns	• Efficient and productive communication with local authorities in addressing emerging risks • Clear and timely disclosures on strategies and growth initiatives • Quarterly results announcements and analyst briefings • Consistent stakeholder engagement • Prompt response to shareholder queries • Highlights of performance and initiatives through reports, 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 Site visits Y Annual General Meeting

Customers

Why We Engage	What We Offer
• Present superior offerings that reflect operational and commercial excellence • Retain and extend contracts • Secure new business opportunities • Foster and maintain good business relationships	• Reliable product delivery at a competitive cost • Quality-assured product offerings • Commitment to Product Delivery Reliability (PDR) and conformance to specifications
Key Concerns	**Our Response**
• Timely delivery of high quality products and services • Competitive product offerings	• Strengthened integration across the value chain to enhance reliability and ensure PDR • Expanded customer-focused solutions for both product offerings and pricing • Boosted customer interactions through consistent engagements and visits • Enhanced marketing efforts and outreach initiatives
Channel and Frequency of Engagement	W One-on-one meetings Y Annual customer experience survey Y Industry conferences, forums and events Q Customer visits

Business Partners, Suppliers and Vendors

Why We Engage	What We Offer
• Foster resilient partnerships through communication and collaborations • Preserve delivery of goods and services aligned with PGB's values	• Collaborations through joint initiatives for mutual benefits • Opportunities and partnerships to support the growth of suppliers' businesses
Key Concerns	**Our Response**
• Environmental, social and governance regulations and requirements from existing and potential partners • Fairness and efficiency in business transactions	• Foster strategic alignment with existing and potential partners • Leveraged procurement and financial services' policies and procedures to promote efficiency and transparency • Strengthened engagements to maintain a reliable supply chain
Channel and Frequency of Engagement	W One-on-one meetings Y Strategic dialogue, conferences, forums and events Y Contractor engagements and clinics W Toolbox sessions W HSSE contractor improvement programme Q Project sponsor meetings

Engaging Our Stakeholders

Employees and Unions

Why We Engage	What We Offer
• Foster a positive ecosystem and encourage employees' contribution to business strategies and goals • Identify skill gaps to nurture future talent • Inspire collaboration between employees and management • Maintain positive relationships with union representatives to ensure industrial harmony	• A supportive environment promoting sustainability and psychological safety • Opportunities for learning, development and growth • Opportunities for meaningful contributions towards personal fulfilment and strategic business goals
Key Concerns	**Our Response**
• Employees' physical and mental well-being • Inclusive and conducive working environment • Skills development and capability building • Sustaining industrial harmony	• Structured programmes to address physical, mental and financial well-being • Communication programmes to encourage diversity and inclusion • Structured development programmes, focusing on technical, functional and leadership skills • Collaboration with union representatives for a seamless Human Resources policy to understand and conclude negotiations on collective agreement • Enhanced employee engagement with 22 activities and programmes in 2025 to foster a conducive work environment and culture
Channel and Frequency of Engagement	M Engagement with employees M Intranet and Internet newsletters Q Union engagements and activities

Government Agencies and Authorities

Why We Engage	What We Offer
• Promote our support and contribution for government initiatives (e.g. NETR, NCCP 2.0, NSRF, CCUS Bill) • Serve as a partner in shaping the gas and power industry's direction in Malaysia	• Extensive gas delivery network across Peninsular Malaysia • Lower-carbon natural gas power plant • Safe, efficient and reliable operations across all facilities • Upholding licences in core regulated businesses, such as pipeline and regasification terminals • Understanding of the latest requirements and regulations
Key Concerns	**Our Response**
• Gas supply security and reliability • Economic impacts on consumers • Regulatory and ESG compliance • Operational health, safety and environment impacts • Integrity and ethics business conduct • Timely public sustainability disclosures (e.g. IFRS S1 and S2, TNFD)	• Formal and informal engagements • Joint emergency response exercises • Familiarisation visits to PGB facilities • Monthly newsletter to government agencies
Channel and Frequency of Engagement	Q Engagement programmes M Consultative sessions

Communities and Non-Governmental Organisations

Why We Engage	What We Offer
• Provide the latest developments of PGB's business and operations-related matters • Maintain a positive corporate image	• Educational and social support initiatives • Environmental protection and biodiversity preservation
Key Concerns	**Our Response**
• Health and safety impact of operations on surrounding areas • Access to education and social support • Protection of the environment and biodiversity	• Enhancement of safety awareness programmes and engagements, including emergency drills with communities surrounding the ROW i.e., Awareness and Action Programme • Social impact initiatives focused on education (Powering Knowledge), community well-being (Uplifting Lives) and the environment (Planting Tomorrow) • Sponsorships and donations for targeted beneficiaries and underserved communities across locations where PGB operates • Community outreach and engagement activities with surrounding communities adjacent to our assets
Channel and Frequency of Engagement	M Newsletters M Progress meetings A Email correspondence and texts

Media

Why We Engage	What We Offer
• Support their role as a key communication link between the business and stakeholders • Collaborate with media to distribute vital information affecting corporate reputation and branding	• Transparent sharing of information • Regular interaction with PGB spokespersons
Key Concerns	**Our Response**
• Business performance • Environmental management and other sustainability performance • New innovation and technology development	• Open and transparent engagement with the media • Timely responses to media enquiries • Activities to share updates and maintain positive rapport
Channel and Frequency of Engagement	Y Press releases on key business updates Q Press releases on quarterly performance Q Engagements with the media

Sustainable Value Creation

Our commitment to sustainable value creation drives our operations and growth initiatives, enabling us to deliver steady financial performance for our business and shareholders. As the energy landscape continues to evolve, pursuing growth that supports national and regional energy security and sustainability agenda is increasingly important. By integrating Carbon Footprint Assessments (CFA) and carbon cost considerations into our decision-making processes, we enable responsible expansion and strengthen the development of a greener, lower-carbon portfolio that supports the long-term viability of our business.

Relevant UNSDGs

Why It Matters

PGB has unlocked a new phase of growth since adopting the Sustainable Value Creation (SVC) approach in 2023. Embedding sustainability into our strategic direction and driving sustainable growth enables us to navigate emerging risks and seize opportunities in a rapidly changing energy landscape.

Building on this foundation, we align our strategic priorities with national energy and decarbonisation policies to ensure that our ambitions support Malaysia's broader transition efforts and goals. We are in the midst of expanding our approach to include elements of biodiversity and social impact, as they both play an equally important role in advancing a just transition. This alignment enhances our prospects in the domestic market and reinforces our position as the nation's preferred energy provider.

Our Approach

Upholding Effective Governance

Our SVC strategies are led by the Board, which maintains a robust top-level oversight the through Board, PGB Leadership Team and Investment Steering Committee.

The SVC approach integrates sustainable values into our business statement of purpose and embeds sustainability as an enabler in our business strategic agenda, which was established in 2023 for resilient growth. Since the transition to the SVC model, we have incorporated CFA and decarbonisation projects into our business strategy. To ensure a more comprehensive approach towards decision-making and alignment with our Final Investment Decision (FID) requirements, we are preparing to expand the SVC model to include more aspects of sustainability, such as impacts on biodiversity, the ecosystem and community. This will help to embed wider environmental and social considerations into our investment evaluations, improve the robustness of our strategy and support positive outcomes for stakeholders and the environment.

Sustainable Value Creation

Diverse Growth Portfolio

We manage our diverse growth portfolio by employing a multi-faceted approach. This involves diversifying existing infrastructure and capacity through the development of a fibre optic infrastructure, while venturing into green and low-carbon opportunities, such as the installation of a new air separation unit to harness cold energy.

Projects	Impact
Completed Projects in 2025	
A new LNG floating storage unit commenced operations in August 2025 at the regasification terminal (RGT) in Pengerang, Johor.	• The new unit strengthens Malaysia's energy security and PGB's regasification platform by enhance system flexibility system flexibility, supporting higher terminal utilisation and advancing the NEP.
A new gas compressor commenced operations in Kluang, Johor.	• The Kluang Compressor Station will increase PGU II Sector 3 gas capacity in southern Peninsular Malaysia, enabling PGB to support growing industrial demand while providing secure and cleaner energy supply to existing and new gas users in the region.
Ongoing Projects	
The expansion of 100 MW power plant in Kimanis, Sabah, is expected to be commissioned in 2026.	• The Kimanis 100 MW expansion will strengthen Sabah's energy security and support long-term economic and socio-economic growth under the Sabah Energy Roadmap 2040, while creating jobs and enabling a more reliable and sustainable power supply for industries and communities.
A 52 MW power plant in Sipitang, Sabah, is expected to be commissioned in 2026.	• The 52 MW Sipitang power plant will secure a dedicated and reliable power supply to an upcoming LNG project in Sipitang, enabling a major investment in Sabah while supporting industrial development, job creation, and the growth of Sabah's oil and gas ecosystem.
The installation of a new Air Separation Unit (ASU) to harness cold energy at Pengerang, Johor, is expected to be commissioned by 2026.	• The ASU will unlock a new low-carbon industrial utilities business for PGB by using utilising cold energy to supply oxygen, nitrogen and cooling medium to support Malaysia's high-value industrial growth.
A 120 MW power plant in Labuan, is expected to be commissioned in 2028.	• The power plant will support Labuan and Sabah's power stability and future economic growth.
Project Achieved FID in 2025	
Development of a fibre optic infrastructure along PGB's Peninsular Gas Utilisation (PGU) Right-of-Way (ROW).	• The fibre optic project will monetise PGB's existing pipeline ROW by creating a new digital infrastructure revenue stream while strengthening national connectivity, supporting data-driven industries and enhancing the resilience of Malaysia's critical energy and communications networks.

Impact of Our New Project

The development of a fibre optic infrastructure along PGB's ROW reflects our aspiration to capture new opportunities and expand our revenue streams by leveraging existing assets. As a step-out venture, the project achieved FID in May 2025 and subsequently received its operating licence from the Malaysian Communications and Multimedia Commission (MCMC) in June 2025. The project, which is targeted for commissioning in the first quarter of 2027, will enable us to contribute to the country's digital advancement by supporting connectivity and infrastructure development.

Gas Processing Santong

Carbon Footprint Assessment

Conducting a CFA is integral to our decision-making process for sustainable value creation, as it guides us towards sustainable investments using a data-driven approach. The CFA framework guides the adoption of best-available technologies to minimise emissions and align project designs with our carbon commitments, such as zero routine venting and flaring, ensuring that we are on track to achieve our Net Zero Carbon Emissions (NZCE 2050) by 2050 Pathway.

To further strengthen the assessment framework, we have implemented an internal carbon price of USD5 per tonne of carbon dioxide equivalent (tCO_2e) to help evaluate carbon cost exposure by considering potential costs of carbon taxes and abatement initiatives. The findings of the assessments are integrated into the financial investment decision-making process to guide PGB's shift towards a low-carbon portfolio.

Since 2023, we have integrated CFAs into our projects and provided employees with the knowledge to conduct the assessments. In 2024, we launched the PGB CFA Leader Certification Pathway to train our employees in calculating carbon exposure across projects with greater accuracy, fostering informed decision-making. In 2025 alone, a total of 45 employees were upskilled and certified under the programme.

Since the implementation of CFAs, we have conducted a total of nine assessments across major projects, including those that have reached FID. These included two completed assessments in 2023 and another two for new power plant projects in 2024. In 2025, CFAs were conducted for five major growth projects.

Additionally, we have empowered our assets to conduct CFAs for smaller projects by incorporating CFA compliance as a key performance metric under Sustainability, the 15th element of the OEMS. Moving forward, we plan to increase the internal carbon pricing to USD10 per tCO_2e to further strengthen our assessments and enhance alignment with the evolving direction of regional and global carbon mechanisms.

Decarbonisation Projects

We are steadfast in our commitment to contributing to national decarbonisation efforts by exploring carbon capture, utilisation and storage (CCUS), as well as energy storage system facilities. At the same time, we are working closely with relevant stakeholders and national policymakers to foster an industry ecosystem that strengthens the viability and financial feasibility of future green energy projects such as energy storage systems to support national renewable energy infrastructure.

Sustainable Value Creation

Aligning Future Plans With National Objectives

Malaysia's transition towards a low-carbon and climate-resilient economy presents opportunities for us to expand our value creation while contributing to the nation's energy demand and strengthening energy security.

In response, we have aligned our growth strategies with key national policies and roadmaps that recognise natural gas as the optimal destination fuel, supporting a reliable and secure energy transition for the nation. To strengthen our role in national energy security, we anchor on our strategic partnerships for mutual growth and work closely with the government to advance a fair energy transition and a low-carbon portfolio.

National Energy Policy (NEP) 2022-2040

This policy, which highlights natural gas as a cleaner, reliable energy source amid coal phase-out efforts, gives us the opportunity to expand our gas transportation and regasification assets to meet growing energy needs.

Malaysian National Energy Transition Roadmap (NETR)

Our gas infrastructure and expansion plans support the NETR enabling low carbon power generation and providing critical infrastructure to support Malaysia's energy transition.

13th Malaysia Plan and National Budget 2025

In line with decarbonisation and energy transition priorities under these frameworks, we are supporting natural gas infrastructure expansion while managing our carbon emissions in accordance with our NZCE 2050 Pathway.

Engaging Stakeholders to Drive Collaboration

Working closely with stakeholders is key to generating positive impact from our value creation initiatives. We actively collaborate with ministries, authorities and policymakers to ensure our efforts are aligned with our long-term objectives. Our engagement extends to participating in government-led sustainability initiatives, working with local councils and partnering with non-governmental organisations to leverage their platforms and strengthen the reach and impact of our initiatives.

2025 Stakeholder Management Events Supporting SVC

Intersessional Working Group (ISWG-GHG) 18

PGB attended the ISWG-GHG's 18th meeting from 17 to 21 February 2025 and presented a paper on "Well-to-tank and tank-to-wake default emission factor for methanol fuel pathway 'MeOH_fCO2_rH2_MS_gm'". The paper was co-sponsored by Turkey and Nigeria and obtained preliminary support from Hong Kong, Iran, Thailand, Namibia, Liberia, Bangladesh and Greece. Following the session, several countries including Japan, Germany, Saudi Arabia, Brazil, Qatar, China and India expressed interest in further discussions and collaboration with PGB.

Marine Environment Protection Committee (MEPC)

PGB presented a paper on "Pre-combustion captured CO_2 as carbon neutral feedstock for low-carbon e-methanol production" at MEPC's 83rd meeting held from 7 to 11 April 2025. The presentation gained support from Chile, Ethiopia, Peru, Argentina and IPIECA. The paper was subsequently submitted and endorsed for further deliberation by the GESAMP-LCA Working Group.

PGB also attended MEPC's second extraordinary meeting from 14 to 17 October 2025 and presented a talk on "e-methanol as transitional fuel towards 2050" at the High Commission of Malaysia in London. The talk was attended by various country ambassadors and maritime attachés.

Fibre Optic Infrastructure

PGB, through its wholly owned subsidiary PG LinkaranFibre Sdn Bhd, achieved a key regulatory milestone with the approval of the Network Facilities Provider (NFP) and Network Service Provider (NSP) licences by the Malaysian Communications and Multimedia Commission (MCMC) on 2 July 2025.

Our Performance

The economic value we generate and distribute each year reflects our commitment to creating sustainable value for all stakeholders.

Direct Economic Value Generated and Distributed (RM million)

	2023	2024	2025
Direct economic value generated			
Revenue	6,445.4	6,538.2	**6,373.8**
Other income[1]	230.1	228.9	**357.8**
Economic value distributed			
Operating costs (e.g. materials, products, facilities purchased)	2,639.6	2,659.6	**2,716.8**
Employee wages and benefits	493.4	552.7	**431.1**
Payments to providers of capital	1,506.1	1,512.0	**1,534.0**
Payments to government by country	441.3	352.8	**402.7**
Community investments	5.2	5.7	**3.9**
Economic value retained	1,589.9	1,684.3	**1,643.1**

Local Recruitment Efforts and Minimum Wage Compliance

Prioritising local talent enables us to contribute to local economic development and support broader socio-economic progress. Through inclusive hiring practices, we continue to provide local communities with access to higher income opportunities, including leadership roles. In 2025, 100% of our Senior Management[2] employees were hired locally[3]. We also maintained full compliance with all government-mandated minimum wage requirements.

Notes:

1 Comprises net other income, financing costs and contribution from joint ventures and associate.

2 Senior Management encompasses our Senior Managers, General Managers, Senior General Managers and MD/CEO.

3 Local is defined as Malaysia.

Moving Forward

Moving forward, we will continue to embed sustainability into our growth and investment decisions, strengthening our low-carbon portfolio while supporting national energy security and transition goals. Through innovation, strategic partnerships and effective execution, we aim to deliver resilient long-term value for stakeholders while contributing to a more sustainable energy future.

Safeguard the Environment

Guided by our Net Zero Carbon Emissions (NZCE 2050) by 2050 Pathway, we continue to strengthen our GHG emissions disclosures while advancing carbon abatement and energy management initiatives to support progress towards carbon neutrality. To foster coexistence with the natural environment, we promote circularity through recycling and protect biodiversity and natural ecosystems by managing pollutants and practising responsible resource consumption.

UN SDGs that are key to us:

Why It Matters

Responsible energy management is central to PGB's strategy for sustainable growth and climate action. Optimising energy consumption will not only reduce our carbon footprint but also improve our operational performance and asset reliability. These practices support equipment reliability and uninterrupted operations, enabling us to advance our commitment to addressing the energy trilemma.

To achieve these outcomes, PGB implements robust governance frameworks, leverages advanced technologies and maintains rigorous oversight across the energy lifecycle. Our efforts promote prudent consumption of finite energy resources and uphold stakeholder confidence, in line with the Energy Efficiency and Conservation Act (EECA) 2024, which mandates large energy users to manage, audit and report on their energy performance.

By adhering to these practices, we demonstrate both regulatory compliance and responsible stewardship of precious and finite energy resources while the world continues its pursuit of sustainable renewable energy security, positioning us as a key player in the national energy transition agenda.

Our Approach

Advancing Energy-Conscious Operations

We remain committed to embedding energy efficiency and GHG emissions reduction as part of our core operations and sustainability strategy. We continuously pursue energy savings and operational efficiency initiatives by leveraging advanced technologies and optimised processes. Through proactive management and oversight, we consistently identify and seize opportunities to further optimise energy use.

Our Energy and Loss Management System (ELMS) guides us in effectively improving our energy performance. In 2025, we aligned with the newly published PETRONAS Technical Standard Energy and Loss Management System (PTS ELMS 3.0) by refining two key terminologies:

- Energy Index (EI) is now Energy Intensity Ratio (EIR)
- Specific Energy Consumption (SEC) is now Energy Intensity

These revisions standardise our terminology in accordance with internationally recognised standards. They align with Malaysian regulatory requirements under the EECA 2024, which mandates the development and implementation of an energy management system. The Act introduces significant compliance obligations, including the appointment of a Registered Energy Manager (REM), mandatory energy audits conducted by a Registered Energy Auditor (REA) and annual reporting requirements detailing energy consumption, systems and planned improvements. For designated buildings, the EECA also requires the display of Energy Intensity Labels and adherence to minimum energy performance standards.

Safeguard the Environment
Energy Management

Institutionalising Scenario Modelling for Energy-Efficient Operations

Building on its adoption since 2023, scenario modelling has progressively evolved from an analytical tool into an embedded operational capability that supports energy-efficient decision-making. Year on year, focused efforts have been undertaken to strengthen and institutionalise this approach as part of routine operations rather than as a standalone optimisation exercise.

This evolution has required additional on-the-ground initiatives, including targeted equipment modifications, enhancements to operation and maintenance strategies and agile operational planning that accounts for variations in feed gas composition and sales gas demand. These efforts have enabled scenario modelling to be applied consistently and effectively across both the Gas Processing and Utilities segments.

Within the Gas Processing segment, scenario modelling continues to support informed transitions between sales gas maximisation and liquid hydrocarbon maximisation under varying operating conditions. In the Utilities segment, it underpins the optimisation of power exports under the New Electricity Dispatch Arrangements (NEDA) through the use of real-time optimisation, while enabling strategic adjustments to cogeneration (COGEN) unit dispatch during periods of reduced demand.

Scenario modelling supports informed decision-making by enabling the optimisation of energy consumption across various plant operating modes while securing customer demand and operational requirements. Through the deliberative selection of operating configurations, it helps optimise internal fuel gas usage, contributing to sustained reductions in operating costs and GHG emissions in alignment with PGB's long-term sustainability objectives.

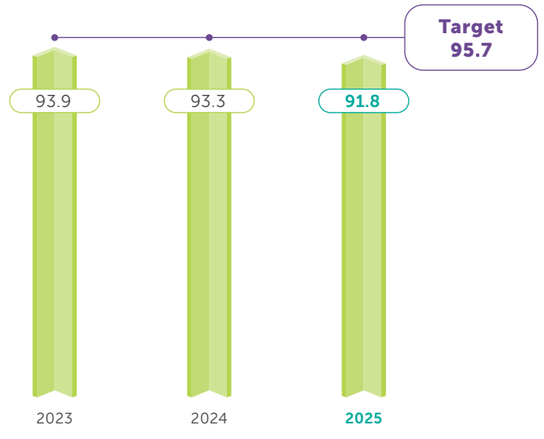
Energy Commitment

Our Energy Commitment outlines a detailed list of initiatives and specifies the projected energy savings within our assets. In realising this, each asset has established an Energy Working Committee responsible for providing strategic guidance, monitoring progress and ensuring that all milestones are achieved within the defined time frame.

Our Performance

Energy Management at PGB

Energy Intensity Ratio



Power Production Capacity by Energy Type

Energy Type	Total Electricity Generation Capacity (MW)[1]	Total Steam Generation Capacity[2] (MT/hour)[3]
Natural Gas	400	1,312
Solar[4]	0.254	Not Applicable

Notes:
1 Megawatt
2 Total steam generation capacity from COGEN
3 Metric Tonne per hour
4 Measured in Megawatt Peak (MWp)

Electricity Production by Energy Type (MWh)

Energy Type (MWh)[1]	2023	2024	2025
Fuel Gas	2,123,530	2,265,000	**2,321,900**
Solar	250	294	**366**
Imported Electricity from Grid	97,872	111,052	**144,526**
Nuclear	0[2]	0[2]	**0[2]**
Coal	0[2]	0[2]	**0[2]**
Oil	0[2]	0[2]	**0[2]**
CCGT	0[2]	0[2]	**0[2]**
Biomass	0[2]	0[2]	**0[2]**
Hydro	0[2]	0[2]	**0[2]**
Geothermal	0[2]	0[2]	**0[2]**
Wind	0[2]	0[2]	**0[2]**
Other Renewables	0[2]	0[2]	**0[2]**
Overall Renewables	0	0	**0**
Total	2,221,652	2,376,346	**2,466,792**

Notes:
1 Megawatt-hour
2 PGB does not produce electricity from nuclear, coal, oil, CCGT, biomass, hydro, geothermal, wind and other renewable sources.

Energy Consumption

Asset Coverage	2023	2024	2025
GPU (GPK, GPS, TSET, UK, UG)	58.32	59.81	**60.29**
GTR (GT, RGTSU, RGTP)	4.34	4.27	**4.15**
Total (GJ*/year) (million)	62.66	64.08	**64.44**
Total Energy Consumption (MW)	17,405,556	17,800,000	**17,900,000**

Note:
* Gigajoules

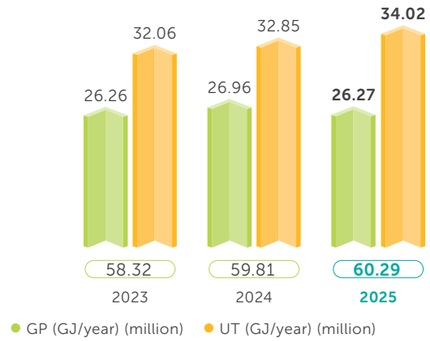
Safeguard the Environment
Energy Management

Energy Management at GPU

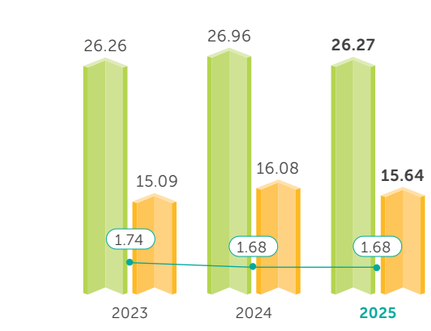
In addition to aligning with the new PTS ELMS 3.0, GPU has also enhanced our methodology by readjusting our calculation boundaries and improving the conversion factors used in our calculations to more accurately represent the energy performance of our assets. These improvements are reflected in both the current and previous year data.

GPU Energy Intensity Ratio

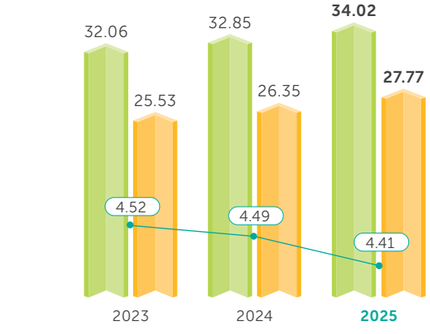
GPU Energy Consumption



GP Energy Intensity



UT Energy Intensity



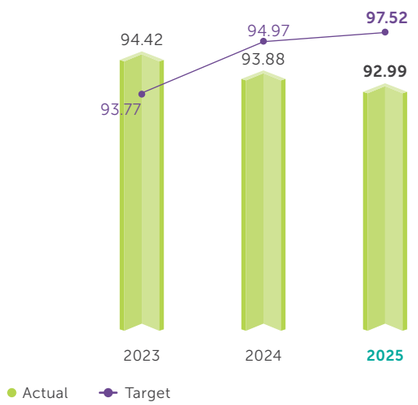
GPU Energy Consumption Initiatives

In 2025, GPU focused its energy efficiency efforts on Utilities operations, where targeted technical interventions could deliver measurable improvements in energy performance. At Utilities Gebeng, energy optimisation efforts centred on the gas turbine efficiency upgrade project which improved heat rate and increased power output. As at December 2025, this intervention delivered an average energy reduction of 15.51 GJ per hour, translating into a cumulative GHG reduction of 1,630 tCO_2e for the year.

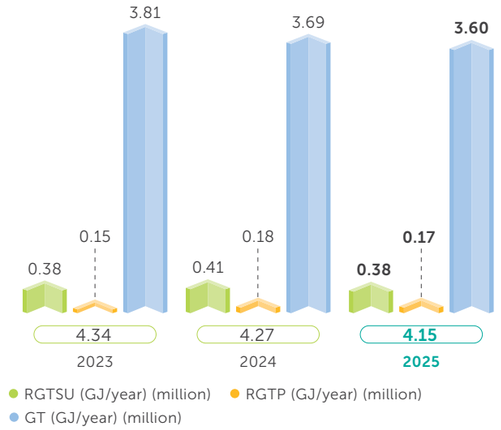
Complementing these asset-level upgrades, GPU also piloted operational measures to restore equipment efficiency at Utilities Kertih. The pilot focused on removing exfoliated scales and fouling deposits, resulting in gas turbine exhaust backpressure reduction. This improved overall COGEN efficiency and reduced energy consumption by an average of two to three GJ per hour under operating conditions.

Energy Management at GTR

GTR Energy Intensity Ratio

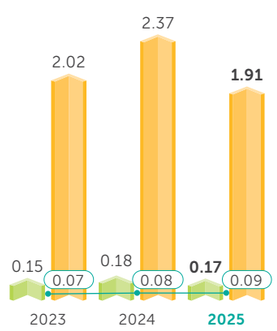


GTR Energy Consumption

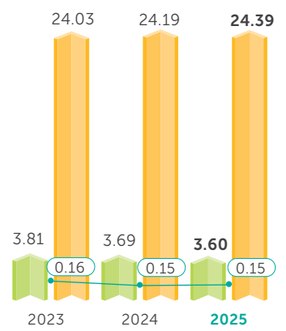


RGTSU Energy Intensity

RGTP Energy Intensity



GT Energy Intensity



GTR Energy Consumption Initiative

At the Segamat Compressor Station, GTR identified inefficiencies associated with the existing Bleed-Off Valve (BOV) operating schedule for gas turbines, whereby the valves remain open during stable operation, resulting in unnecessary loss of bleed air.

The optimisation of the BOV for the gas turbines at the Segamat Compressor Station has the potential to reduce CO_2 emissions, as the current BOV schedule keeps the valves open during stable operation, causing unnecessary loss of bleed air. The proposed BOV optimisation will reschedule the compressor bleed valves to close during stable operation at low-load setpoints. This adjustment will widen the range of efficient engine operation with the BOV closed, thereby reducing CO_2 emissions and lowering the exposure of the engine's BOV and ducting to high-temperature bleed air, which currently contributes to duct failures. Through a control system update, the optimisation is expected to reduce CO_2 emissions by approximately 1,035 tonnes per year.

Safeguard the Environment

Energy Management

Tanjung Sulong Export Terminal

Moving Forward

Enhancing energy efficiency will remain a key priority across PGB, with initiatives focused on Significant Energy Users. We will keep exploring alternative energy sources, including solar and waste heat recovery, to drive further reductions in overall energy consumption. Building on the successful implementation of the gas turbine efficiency upgrade, the programme will continue in 2026 to strengthen operational performance and energy efficiency.

In parallel, PGB is advancing its biomethane injection facilities along the PGU pipeline, enabling renewable biomethane to be integrated into the national gas network. This positions PGB as a key enabler of biomethane transmission, connecting renewable gas producers with domestic and cross-border markets and supporting the transition to lower-carbon energy systems.

Safeguard the Environment

Climate Change Management

Why It Matters

Climate change landscape has evolved rapidly in recent years as regulators and financial markets accelerate transition efforts through decarbonisation policies, carbon pricing mechanisms and disclosure expectations. For PGB, emerging regulatory developments, such as carbon tax, have elevated climate change into an issue that has both financial and sustainability impacts, with direct implications for operating costs, capital allocation and long-term competitiveness.

In this context, setting targets and maintaining a clear decarbonisation pathway will enable PGB to align with national and global climate ambitions. Effective climate management is critical to ensuring that our business remains relevant and resilient as Malaysia advances its energy transition agenda.

Our Approach

Driven by Our Group-Wide Net Zero Journey

PGB is committed to managing its greenhouse gas (GHG) emissions, guided by its NZCE 2050 Pathway, to achieve carbon neutrality by 2050. While our targets are not mandated by regulations, they are guided by national net zero ambitions and PETRONAS' Net Zero Commitment. We are keenly aware of the impact of GHG emissions from our operations and are continuously implementing the necessary mitigation measures to reduce our carbon footprint.

To ensure relevance and integration with strategic decision-making, PGB defines climate targets across three time horizons that correspond with the following:

Short Term
(1–5 years)

Short-term goals are essential for sustaining strategies to drive GHG emissions reductions across our operations, while enabling swift adaptation to increasing gas demand, evolving regulations, market dynamics and stakeholder expectations. This aligns with PGB's detailed performance planning and financial projections over a five-year cycle.

Medium Term
(6–15 years)

Medium-term objectives ensure we grow in alignment with industry trends, national policies and global targets, ensuring our gas infrastructure and operations support energy security and reliability while being as sustainable as possible. The medium-term objectives are incorporated into PGB's business plans, allowing us to focus on our customers and invest sustainably.

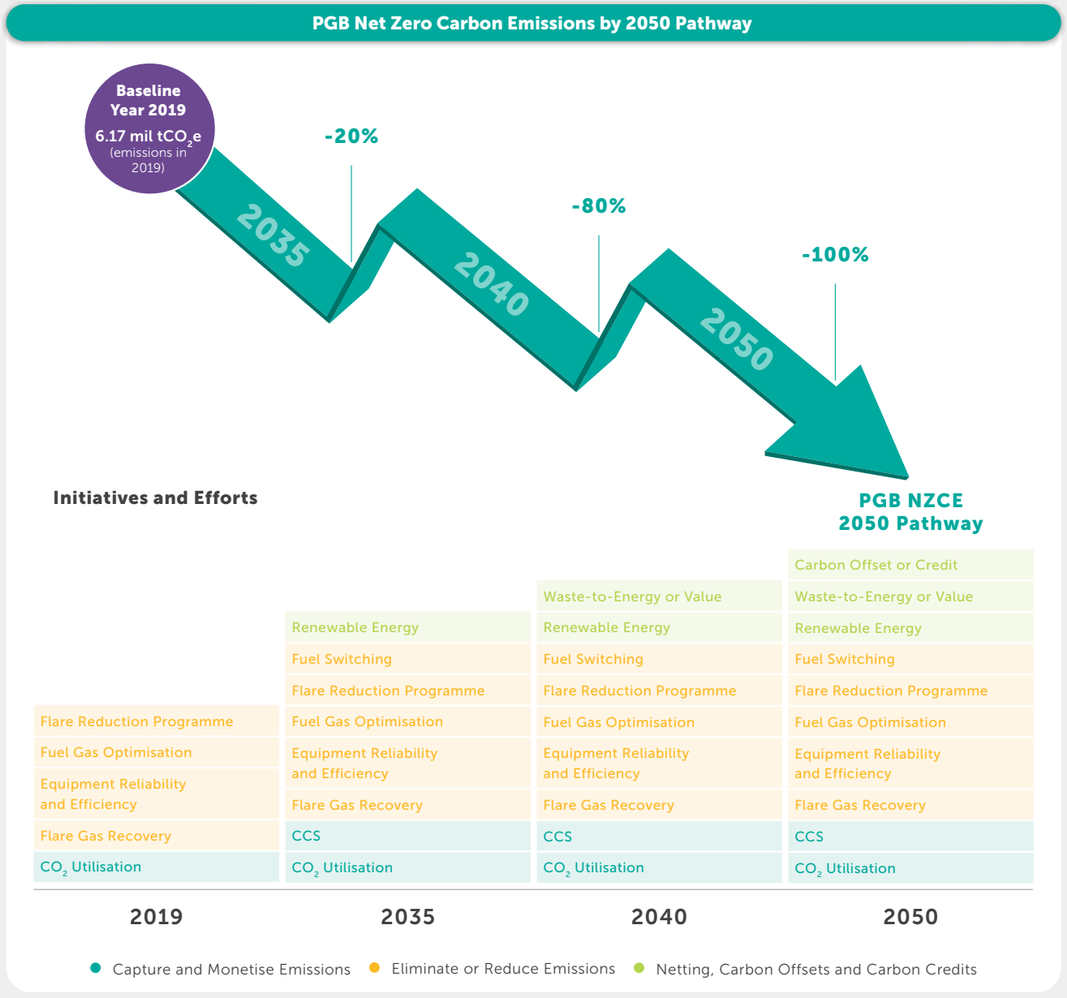
Long Term
(16 years onwards)

Long-term aspirations support our transformation towards achieving NZCE 2050, driving the implementation of comprehensive risk mitigation and abatement measures as our business transitions to lower-carbon business opportunities. Our aspirations contribute to formulating PGB's broader business strategy, with an emphasis on the energy transition and technology trends.

Our decarbonisation approach is anchored on four primary levers: zero routine flaring and venting, energy efficiency, low carbon/green energy and Carbon Capture and Storage (CCS). These levers prioritise emissions reduction at the source, supported by emissions capture and monetisation where technically and commercially viable. For hard-to-abate residual emissions, up to 10% will be addressed through carbon offsets or credits.

Safeguard the Environment
Climate Change Management

Recalibrating PGB's Net Zero Carbon Emissions by 2050 Pathway



In 2025, PGB calibrated its NZCE 2050 Pathway to ensure continued alignment with our evolving business strategy and the disciplined execution of key abatement initiatives.The recalibration of the interim milestone does not alter PGB's commitment to achieving net zero carbon emissions by 2050, but reflects enhanced data quality, deeper governance oversight and improved understanding of the execution timelines for large-scale abatement solutions.

Establishing Baseline Emissions

Our journey towards NZCE 2050 Pathway commenced with establishing 2019 as the baseline year for Scope 1 and Scope 2 emissions. The year 2019 was selected following the introduction of a new organisational boundary for the NZCE 2050 Pathway and represents a stable reference period before the COVID-19 pandemic, which significantly impacted business-as-usual operations. In 2019, Scope 1 and Scope 2 emissions baseline was recorded at 6.17 million tCO_2e, while baseline methane emissions amounted to 157,937 tCO_2e.

Setting Targets and Key Assumptions

To achieve our net zero carbon emissions target for 100% of operationally controlled Scope 1 and Scope 2 emissions, we established quantitative interim and long-term targets based on absolute emissions relative to the 2019 baseline to track progress along our NZCE 2050 Pathway. These targets apply to all PGB assets under operational control.

The targets were established to guide our efforts in mitigating climate change impacts from our operations, ensure that we sufficiently address climate transition risks and align our business strategy in support of the national net zero agenda. While the NZCE 2050 Pathway target aligns with national ambitions, interim targets are set to align with PGB's business direction and strategy.

Short Term

Achieve a **20% reduction** in emissions by 2035 compared with the 2019 baseline of 6.17 million tCO_2e.

Medium Term

Achieve an **80% reduction** in emissions by 2040 compared with the 2019 baseline of 6.17 million tCO_2e.

Long Term

Achieve **net zero**, or a **100% reduction** in emissions, by 2050 compared with the 2019 baseline of 6.17 million tCO_2e.

2035 Emissions reduction is primarily driven by CCS and Carbon Capture and Utilisation (CCU) initiatives, alongside the zero routine flaring and venting initiative.

2040 Emissions reduction will come from low-carbon or green energy solutions, supported by the scaled deployment of CCS and CCU.

2050 Residual emissions are managed through the utilisation of carbon offsets, capped at 10%, with the remaining emissions addressed through low-carbon or green energy solutions and CCU initiatives.

PGB's emissions reduction targets are net targets. In line with science-based pathways such as those referenced by the Science Based Targets initiative (SBTi), approximately 10% of residual emissions may be addressed through carbon netting mechanisms, including offsets or carbon credits. Accordingly, PGB targets approximately 90% emissions reduction on a gross basis, with carbon netting applied only to hard-to-abate residual emissions of up to 10%.

In setting these targets, PGB considers sectoral contributions towards achieving the International Energy Agency's (IEA) targets for the below 1.5°C warming scenario. The SBTi has paused its development of the sectoral decarbonisation guidelines for the Oil and Gas Sector Guidance. Given that both the SBTi and the Transition Pathway Initiative (TPI) Sectoral Decarbonisation Pathway are based on global datasets, PGB prioritises alignment with national targets while remaining vigilant of evolving sectoral decarbonisation approaches.

Progress against targets is monitored through ongoing GHG emissions measurement and oversight under PGB's sustainability governance platform. In the event of material changes to PGB's business direction or strategy, the Board or the Board Sustainability and Risk Committee (BSRC) may request a review of the targets to ensure continued relevance and alignment. These targets have yet to be validated by a third party.

Reporting Boundary for GHG Emissions

Greenhouse gas emissions are measured using the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004), except where specific requirements under IFRS S2 apply. PGB refers to the GHG Protocol Corporate Value Chain Standard (2011) to define the 15 Scope 3 emission categories for disclosure. The boundary for GHG reporting is determined through both organisational and operational perspectives. The organisational boundary sets out the entities and activities included within the reporting scope, based on ownership and control. The operational boundary identifies emission sources classified as Scope 1, Scope 2 and Scope 3 emissions in accordance with the GHG Protocol.

Safeguard the Environment
Climate Change Management

Organisational Boundary

PGB adopts the operational control approach in accordance with the GHG Protocol. This approach reflects emissions from assets over which PGB is accountable and can exert operational influence by implementing emissions reduction and abatement strategies, as opposed to the equity share approach, which may include assets where PGB has limited control or influence.

PGB accounts for 100% of emissions from assets under its operational control. These include our direct assets, namely Gas Processing Kertih (GPK), Gas Processing Santong (GPS), Tanjung Sulong Export Terminal (TSET), Utilities Kertih (UK), Utilities Gebeng (UG) and our gas transportation facilities, as well as assets operated through our subsidiaries, including PLNG2 Sdn. Bhd. and Regas Terminal Sungai Udang (RGTSU) Sdn. Bhd. Our regasification terminals, RGTSU and Regas Terminal Pengerang (RGTP), are also included within the operational boundary.

Entities that are not under PGB's operational control, such as joint ventures and associate companies, are excluded from Scope 1 and Scope 2 emissions consolidation and are assessed as part of Scope 3 emissions.

Operational Boundary

We have conducted essential measurements and developed a comprehensive emission inventory, encompassing inherent CO_2 emissions in feedgas, combustion, venting, flaring, fugitive emissions and purchased energy across these facilities. PGB monitors progress against the NZCE 2050 Pathway by tracking GHG emissions. We also refer to the American Petroleum Institute (API) Compendium (2009) for calculations.

Monitoring and Reporting of Our Emissions

PGB monitors and reports GHG emissions based on its organisational and operational boundaries. We continue to strengthen emissions monitoring and management to support reductions and progress towards NZCE 2050 Pathway. We adopted iCON, a GHG accounting and simulation application, to enhance data automation and enable real-time emissions monitoring. Alignment with the United Nations Environment Programme's (UNEP) Oil and Gas Methane Partnership 2.0 (OGMP 2.0) Level 4 reporting has improved the accuracy of methane measurements for lower levels of methane. Armed with a comprehensive view of our emissions inventory, we are empowered to strengthen our abatement efforts and ensure greater reliability, accuracy and transparency in our disclosures.

To establish our operational boundary, we adhere to emissions calculations that follow the GHG Protocol Corporate Standard methodologies, covering the following scopes:

	Scope 1	Scope 2	Scope 3
	Direct emissions from company-owned or controlled sources, including inherent CO_2	Indirect emissions from the generation and consumption of purchased energy from utility providers	All other indirect emissions in the company's value chain, classified into 15 categories, including upstream and downstream emissions
Source of Emissions	Combustion Flaring Venting Fugitive Emissions Mobile Transportation	Imported Electricity	Fuel and Energy Related Activities Processing of Sold Products Investments
Type of Emissions	CH_4 (methane) CO_2 (carbon dioxide) N_2O (nitrous oxide)		

In 2025, we enhanced our Scope 3 management by conducting a materiality assessment across all 15 categories. The assessment aimed to identify the categories that contribute most to our Scope 3 emissions.

In identifying material Scope 3 emissions, PGB applied the GHG Protocol Scope 3 Standard criteria based on emissions size, resulting in the selection of three material categories. In alignment with the requirements of the National Sustainability Reporting Framework (NSRF) and IFRS S1 and S2, we have revised our approach from the previous reporting period and will continue disclosing material Scope 3 categories accordingly.

Judgments and Measurement Uncertainties

PGB applies defined bases and assumptions when measuring and reporting GHG emissions to ensure consistency, transparency and alignment with applicable reporting standards.

When consolidating GHG emissions, PGB includes emission sources that are material to its operations and excludes sources that contribute less than 0.1% of total emissions, as their omission does not materially affect the completeness or accuracy of the emissions inventory. This approach maintains alignment with recognised GHG accounting principles.

PGB monitors and reports emissions for three GHGs: carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O), which represent the most relevant and material emissions arising from our operational activities. PGB does not monitor the remaining Kyoto Protocol GHGs as they are immaterial in volume.

Contractual Instruments

PGB sources all Scope 2 electricity in Peninsular Malaysia, where the government regulates electricity generation and supply, with Tenaga Nasional Berhad (TNB) serving as the primary electricity provider. PGB calculates Scope 2 emissions using TNB's emission factors in accordance with applicable regulatory and reporting requirements[1] and discloses any Green Electricity Tariff (GET) schemes that it subscribes to, where applicable.

Source:

[1] Developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD)

Tanjung Sulong Export Terminal

Safeguard the Environment

Climate Change Management

Alignment With National and Global Climate Change Public Policies, Regulations and Frameworks

PGB aligns its climate change management approach with relevant national and international public policies, regulations and frameworks to support the delivery of its NZCE 2050 Pathway. We keep abreast of the regulatory and policy developments to ensure our strategy, targets and disclosures remain responsive to evolving expectations while supporting national priorities and sectoral responsibilities. We engage with government bodies, regulators and industry platforms to stay informed of regulatory and policy developments while contributing constructively where appropriate.

PGB's climate-related practices align with the following key public policies, regulations and frameworks:

World Bank's Zero Routine Flaring (ZRF) by 2030 Initiative	We leverage PETRONAS Group's commitment to supporting the ZRF Initiative, where governments, companies, associations and development institutions pledge to eliminate routine flaring by 2030.
Methane Guiding Principles (MGP)	Our actions are aligned with the MGP through PETRONAS' commitment to the Global Methane Pledge launched at COP26, which aims to reduce global methane emissions by at least 30% from 2020 levels.
Oil and Gas Methane Partnership 2.0 (OGMP 2.0)	We support the OGMP 2.0, which is part of the UNEP, by leveraging PETRONAS Group's participation, contributing to methane management and reporting efforts aligned with the OGMP 2.0 Gold Standard.
Oil and Gas Decarbonisation Charter	We build on PETRONAS' commitment to the Oil and Gas Decarbonisation Charter, a joint industry commitment launched at COP28 in December 2023.
GHG Protocol: A Corporate Accounting and Reporting Standard (2013)	We align with the GHG Protocol for emissions accounting and reporting, ensuring transparency and consistency.
International Financial Reporting Standards (IFRS) S1 and S2	Having fully addressed all TCFD recommendations, we are further aligning with IFRS S1 and S2 requirements to enhance the quality of our financial climate-related disclosures as we advance our sustainability journey. Governed by the NSRF, we are committed to fully complying with the disclosure requirements of IFRS S2 by 2025 and subsequently IFRS S1 by 2027, as mandated by Bursa Malaysia.
World Business Council for Sustainable Development (WBCSD)	We benefit from PETRONAS' membership in the WBCSD by adopting sustainability best practices shared by member organisations.
Energy Efficiency and Conservation Act (EECA) 2024	We are committed to supporting the EECA 2024, which came into force in January 2025, by further advancing energy efficiency and sustainable energy practices.
National Climate Change Policy 2.0 (NCCP 2.0)	We keep abreast of the NCCP 2.0 implementation through open communication with government organisations to stay updated on the latest developments and foster collaboration in driving climate action.
Malaysian National Energy Transition Roadmap (NETR)	We are progressively diversifying our portfolio with lower-carbon and renewable energy initiatives to contribute to and drive alignment with the NETR.

Collective Efforts From Climate-Related Organisations and Trade Associations

PGB is listed as a Full Corporate Member of the Malaysian Gas Association (MGA). While we strive to ensure that our climate change commitments remain consistent with the position taken by MGA, including its advocacy of Malaysia's goals under the Paris Agreement and its support for the NETR, we will thoroughly evaluate any contradictions that arise to best manage the climate-related risks and seize climate-related opportunities unique to our business.

In addition to trade associations, as a subsidiary of PETRONAS, PGB also supports the climate-related initiatives of organisations in which PETRONAS is a signatory member, such as the UNEP's OGMP 2.0, which prompted our alignment with UNEP's OGMP 2.0 Level 4 reporting in 2024 for our gas processing assets. Although PGB is not directly involved in these organisations, the climate-related issues that they advocate for inform PETRONAS' climate management framework, which, in turn, guides our business climate strategy.

Our Integrated Climate Strategy

Anchored on globally recognised climate action frameworks and PGB's NZCE 2050 Pathway, PGB takes an integrated, Group-wide approach to managing climate-related risks and opportunities. This approach focuses on aligning with relevant national and global climate policies and regulations, strengthening emissions monitoring and implementing a structured set of measures to reduce or eliminate emissions at source. Where appropriate, we also pursue opportunities to capture and monetise emissions and, over the longer term, consider the use of carbon offsets or credits for hard-to-abate residual emissions.

Abatement Solution Strategies

To advance the NZCE 2050 Pathway, PGB prioritises mitigation and adaptation measures and deploys a range of solutions to progressively reduce its carbon footprint over time. Our abatement efforts focus on the following three key areas:

Elimination and Reduction of Emissions

We strengthen our operational excellence initiatives by reducing or eliminating flaring, combustion, venting and fugitive emissions where we operate. We leverage technology and innovation to implement science-based resource optimisation and decarbonisation solutions, including:

- Optimisation and upgrading of gas turbines
- Improvements in boiler heat recovery
- Implementation of an equipment reliability system
- Optimisation of furnace operations
- Utilisation of zero-carbon methane
- Installation of flare recovery systems
- Installation of leak prevention and rectification systems

In 2025, we continued to build on these ongoing initiatives by implementing additional emissions reduction measures at the GPU level. New initiatives introduced during the year included the off gas rerouting at Gas Processing Kertih, which delivered emissions reductions of 12,748 tCO_2e, enhancements to overhead compressor performance that resulted in 159,944 tCO_2e of avoided emissions, and the implementation of gas turbine optimisation at Utilities Kertih, contributing a further 3,086 tCO_2e reduction. These initiatives complement existing operational excellence measures and reinforce PGB's continued focus on reducing emissions through targeted operational improvements.

Capture and Monetise Emissions

As part of the NZCE 2050 Pathway, we collaborate with PETRONAS to capture inherent CO_2 emissions. We supply the captured CO_2 as feedstock for downstream customers, creating value while reducing emissions that would otherwise be released. Since the early 2000s, monetising CO_2 sales has been a key activity, contributing to reduction in GHG emissions.

Netting, Carbon Offsetting and Carbon Credits for Remaining Emissions

To address hard-to-abate and unavoidable residual emissions, we consider carbon netting through offsets and carbon credits as part of the NZCE 2050 Pathway. In alignment with the science-based pathways, such as the SBTi initiatives, up to 10% of residual emissions may be eligible for carbon netting via offsets and carbon credits.

To support the credibility and integrity of any carbon credits used, we refer to recognised international standards acknowledged by PETRONAS and Malaysian regulators, including guidance from the Ministry of Natural Resources and Environmental Sustainability (NRES) and Bursa Malaysia. We are expecting the formalisation of NRES's *Dasar Pasaran Karbon Kebangsaan* (DPKK) to provide further clarity on applicable requirements, standards and guidance arrangements.

We do not impose restrictions on the types of carbon credits and will explore a range of options available in the carbon market, including nature-based solutions and technological carbon reduction and removal initiatives.

Currently, we are working on establishing our carbon credit strategy, including identifying credible third-party schemes for carbon credit verification and certification. PGB will participate in the carbon credit market only after the DPKK is finalised and the relevant implementation frameworks are established.

Safeguard the Environment
Climate Change Management

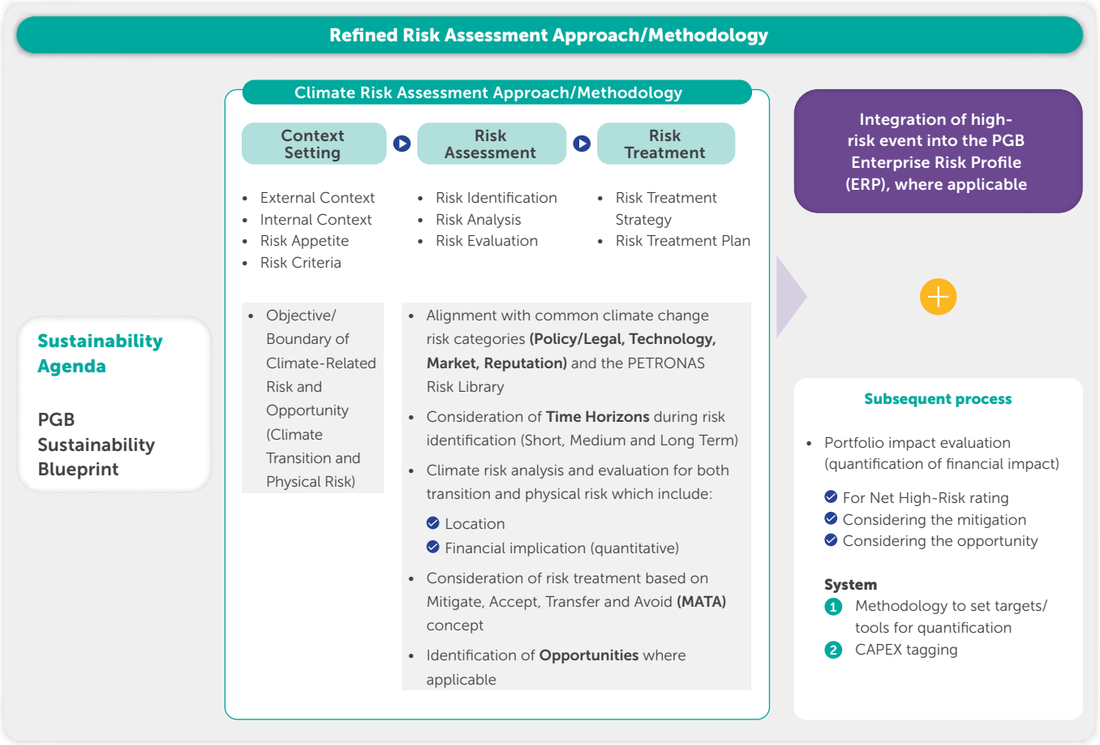
Our Risk Assessment Approach

Climate-Related Risk Management Process

Transition Risk

In 2025, PGB expanded its climate risk assessment processes to align with IFRS S2 requirements, building on approaches applied in the previous reporting period. The change reflects a refinement in how climate-related risks and opportunities are considered within PGB's existing enterprise risk management framework, with greater attention given to risk relevance, comparability and decision usefulness.

Climate-related risks and opportunities are assessed in alignment with the PETRONAS Group Enterprise Risk Management Framework. External and internal contexts, risk appetite and assessment criteria, including regulatory requirements and asset-level considerations, are taken into account. Climate considerations are incorporated into existing risk management practices so that climate risks are assessed alongside other enterprise risks, rather than in isolation.



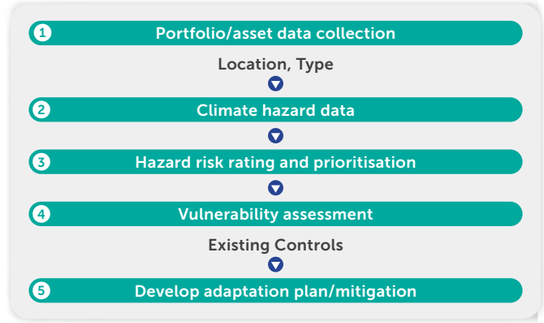
As illustrated above, the climate risk assessment progresses from context setting to risk assessment and risk treatment, before being reflected in PGB's Enterprise Risk Profile (ERP) where applicable. The approach applies to both transition and physical climate risks and supports consistent evaluation of risk implications across relevant time horizons.

Under this approach, PGB evaluates climate-related transition risks with increased granularity to improve understanding of potential impacts on operations and financial performance. Considerations include asset location and business model characteristics, which influence how regulatory developments and other transition drivers may affect the business.

The assessment considers changes in the regulatory and policy environment, as well as their potential implications for PGB's operating context. This supports management judgment on how transition-related factors may influence business resilience over time.

Physical Risk

PGB leverages the physical climate risk assessment approach and processes established at the PETRONAS Group level to assess current physical climate hazards affecting its assets.



This assessment incorporates exposure boundaries and identifies climate hazards, hazard risk ratings and prioritisation, vulnerability assessment and potential adaptation plans where applicable. The physical impacts of climate change are assessed using an IPCC-based framework, which includes the evaluation of exposure, hazard, vulnerability and risk.

Impact validation is supported through inputs and data from Group Health, Safety and Environment and Finance, particularly in relation to asset damage and business interruption. Once key physical risks and opportunities are identified, their implications are analysed to support timely actions that enable PGB to anticipate, mitigate and adapt to current and emerging climate challenges.

Risk Prioritisation

Identified climate-related risks are prioritised based on their likelihood and potential magnitude*, taking into account possible financial impacts, operational disruptions and regulatory changes. Risk ratings, such as high or medium, are applied to support consistent prioritisation.

Risks identified as priorities are reviewed by the Sustainability and Risk Committee (SRC) and escalated for onward deliberation and oversight by the Board Sustainability and Risk Committee (BSRC).

Note:
* PGB assesses climate-related risks by evaluating the likelihood of occurrence and the magnitude of potential financial impact should the risk materialise. For more information, refer to the Statement on Risk Management and Internal Control on pages 143 to 159 of the IR 2025.

Monitoring and Periodic Review

Climate-related risks are monitored through the SRC and BSRC on a quarterly basis, supporting oversight of risk status and mitigation progress.

To ensure climate-related risks remain current and appropriately managed, an annual review is conducted with updates made based on changes in risk priority and emerging developments.

Key Inputs and Parameters

PGB follows a structured approach to identify and assess climate-related risks, utilising various inputs and parameters such as:

Location of assets	To support asset-specific climate risk profiling and prioritisation
Physical risk assessment	Supported by internal databases, together with impact assessment inputs related to asset damage and business interruption
Business model and commercial arrangements	Reflecting the operating and contractual context of PGB's activities
Asset damage considerations	Including potential implications arising from physical climate hazards
Activity details at asset level	Reflecting the nature of operations conducted at each location
Global and domestic regulatory requirements	Including developments such as IFRS S1, IFRS S2, the Carbon Border Adjustment Mechanism (CBAM) and the Corporate Sustainability Reporting Directive (CSRD)

Integration Into Enterprise Risk Management and Decision-Making

Climate-related risks that are identified and prioritised through the assessment process are integrated into PGB's Enterprise Risk Profile, alongside other key risk areas such as Health, Safety, Security and Environment (HSSE), Operational, Reputation, Project Delivery, Legal and Regulatory, Cybersecurity and Financial.

The inclusion of climate-related risks within the ERP supports leadership oversight and informed allocation of resources for mitigation efforts. Periodic reviews are conducted to maintain a proactive approach in addressing emerging risks and refining mitigation strategies.

The ERP is deliberated at the management level through the SRC, which is responsible for the management of PGB's risks. This is further endorsed and reported to the BSRC, which provides oversight and subsequently reports to the Board if required. In addition, climate-related risks and opportunities are integrated into Risk Assessment and Decision-Making (RADM) exercises, including assessments related to PGB's investment decisions to strengthen resilience and support long-term business sustainability.

Safeguard the Environment

Climate Change Management

Summary of Our Transition Risks, Opportunities and Associated Impacts

PGB assesses the impacts of climate change on our operations through internal risk assessments. These assessments identify key transition-related risks, including increased operating costs arising from emerging regulatory compliance requirements, as well as opportunities linked to decarbonisation and operational improvements. We evaluate the associated financial implications over short-, medium- and long-term time horizons. The climate-related risks and opportunities in the table below are present across all our business activities.

We address climate-related risks through targeted mitigation measures that strengthen operational resilience while enabling us to capture relevant opportunities. After considering the effectiveness of existing controls and mitigation measures, we assign each climate-related risk a net risk rating. This rating reflects the residual level of risk after mitigation and informs prioritisation, monitoring and escalation within our enterprise risk management processes.

Risk Category	Transition Risk	Potential Impact on PGB Operations	Financial Implication	Mitigations	Opportunities
Policy and Legal **Time horizon:** Short, medium and long term	Unable to timely prepare for the implementation of carbon tax due to uncertainty of implementation milestones of the RUUPIN and DPKK The amount and business activities vulnerable to this transition are disclosed in Financial Implications of Carbon Tax on page 52.	Adverse impact on profitability due to non-recovery of the carbon tax through existing commercial arrangement	Increased OPEX due to imposition of carbon tax	**Direct** 1. To execute the relevant identified mitigations related to recovery of carbon tax through commercial arrangements 2. Continue pursuing the decarbonisation projects, e.g. CCU and CCS **Indirect** 3. Engagement with government for clarity of the carbon tax implementations	Maturing growth or green projects as part of abatement efforts (CCU and CCS)
Policy and Legal **Time horizon:** Short term	Non-compliance with regulatory disclosure requirements due to constantly changing rating requirements	1. Non-compliance with Bursa Main Market Listing Requirements on sustainability reporting (IFRS) 2. Potential exclusion from the Bursa Malaysia Sustainability Index list, i.e. FTSE4Good 3. Lack of trust from investors in the company's sustainability efforts 4. Unable to provide timely and credible disclosures effectively	1. Financial impact, e.g. related to impact to market or share price 2. Increased OPEX for adopting specific tools and hiring consultants	**Direct** 1. Structured execution of gaps closure identified by internal IFRS Compliancy Task Force 2. Proactively engage with relevant SMEs from Group HSSE and Finance to address gaps and implement recommendations **Indirect** 2. Proactively engage with Bursa Malaysia and the FTSE Russell Team on evolving reporting requirements	Leverage digital technology to develop a robust monitoring, reporting and verification system
Market **Time horizon:** Short and medium term	Limited access to financing and insurance coverage due to failure in fulfilling the extensive ESG requirements from financiers and insurers	1. Limited access to financing and insurance coverage 2. High borrowing costs and insurance premium	Increased capital and operating costs	**Direct** 1. To keep abreast of the ever-evolving ESG requirements from financiers and insurers **Indirect** 2. Continuous engagement with financiers, insurers and ESG rating agencies to understand and seek clarity on their expectations and requirements	Wider financing options from financial institutions to ensure seamless fundraising in supporting PGB's growth agenda
Market **Time horizon:** Short and medium term	Lower demand for gas-generated electricity due to shifting demand towards green electricity	Potential reduction in utilities revenue	Lower revenue for Utilities business in the event that customers shift their preferences to cleaner energy	**Direct** 1. Maturing solar PV projects for Utilities Kertih (UK) and Utilities Gebeng (UG) **Indirect** 2. Continue engaging with customers to purchase potential green electricity package from PGB	Strengthen PGB's portfolio by focusing on green electricity as a new revenue stream
Technology **Time horizon:** Short and medium term	Unable to adopt low-carbon and energy-intensive technologies due to economic affordability and customers' specifications	Potential reputational impact and increased carbon-related costs, following carbon or emission cost	Increased CAPEX for technology adoption or increased OPEX on carbon-related costs or tax	**Direct** 1. Continue working on recovery of both OPEX and CAPEX related to low-carbon and energy-intensive technologies (e.g. expand the use case to ensure project is viable) **Indirect** 2. Collaborate closely with PD&T to stay updated on the latest technological developments	Work proactively with PETRONAS and stakeholders to expedite or increase the deployment of low-carbon technologies and innovations
Reputation **Time horizon:** Short, medium and long term	Unable to meet increased stakeholder expectations on PGB's climate change efforts and progress due to business strategy alignment and calibration	Potential reputational damage, affecting investor and stakeholder trust	1. Financial impact, e.g. related to impact to market or share price 2. Increased cost to manage stakeholder perception	**Direct** 1. Continue pursuing our commitment to sustainability efforts, including the NZCE 2050 Pathway direction and targets **Indirect** 2. Continuous engagement with our external stakeholders to pursue decarbonisation projects	Strengthen PGB's position as a responsible corporate citizen in supporting climate change efforts and initiatives Improve PGB's market position through a commendable ESG rating, wider fundraising opportunities and diversified growth initiatives

Safeguard the Environment
Climate Change Management

Financial Implications of Carbon Tax

PGB has identified transition risks associated with the eventual implementation of a carbon tax as material and tangible, arising from uncertainty over the implementation milestones of the *Rang Undang-Undang Pasaran Industri Karbon* (RUUPIN) and the *Dasar Pasaran Karbon Kredit* (DPKK). Based on current announced applicable industries, the carbon impact is concentrated within the utilities-related business.

In 2025, the Malaysian government had not finalised the carbon tax mechanism. As a result, there were no changes to PGB's business model and no financial impacts in the current reporting year. To prepare for eventual implementation, PGB established a carbon tax task force in 2025. We anticipate that changes from 2026 onwards will include adjustments to pricing models and company strategy. The execution of the carbon tax mechanism is contingent on the enforcement of the RUUPIN and DPKK.

In the interim, PGB continues to assess scenarios and the potential financial impacts in the medium and long term, which are expected to result in higher operating costs. Based on current assumptions, an internal carbon price of USD 5 per tCO_2e applied to approximately 6 million tCO_2e would translate into an estimated annual carbon price exposure of RM132 million, approximately 7% of PGB's baseline profit before tax.

PGB does not expect a significant risk of material adjustment in subsequent reporting periods arising from transition risks. In the short term, management does not expect an increase in the carrying amounts of reported assets and liabilities within the next five years. Over the medium and long term, asset values may increase due to higher CAPEX associated with decarbonisation investments, including CCU and CCS initiatives.

To implement our climate strategy, PGB will consider the most viable and optimal sources of funding to support financial resilience and cost efficiency. This includes utilisation of internal funding from operational and investing cash flows as well as external financing through debt or equity markets, where required. These funding approaches will be evaluated on an ongoing basis to maintain liquidity, optimise the capital structure and align with PGB's NZCE 2050 Pathway. In this context, PGB has allocated approximately RM248 million in CAPEX for the period from 2026 to 2029, representing its capital deployment towards climate-related risks and opportunities. This investment supports key decarbonisation project opportunities as part of its strategy to mitigate potential exposure to future carbon tax obligations across its business activities.

Assessing Transition Risks Through Scenario Analysis

For transition risks to assess our future climate-related risks and opportunities from a transition perspective, we have adopted two scenarios from the International Energy Agency's (IEA) World Energy Outlook (WEO) 2024: the IEA Announced Pledges Scenario (APS) and the IEA Stated Policies Scenario (STEPS). These scenarios provide transition pathways for assessing potential impacts on PGB. In 2025, we continued to enhance our climate scenario assessment for material risks, with a particular focus on carbon tax exposure for PGB, while maintaining qualitative assessments for other climate-related risks.

Low Emission Scenario
(Announced Pledges Scenario – APS)
This scenario assumes the full implementation of all announced climate commitments, including Nationally Determined Contributions (NDCs) and net zero targets, within their stated timelines. In Malaysia, this is reflected in the NETR, which sets out the national pathway towards a lower carbon energy system.

Implication: Heightened regulatory and transition risk as global climate commitments, including NDCs, are translated into Malaysian policies and regulatory measures through the NETR. This accelerates decarbonisation requirements, increases reliance on low carbon technologies such as CCS and may place downward pressure on natural gas demand, increasing the urgency to decarbonise operations.

High Emission Scenario
(Stated Policies Scenario – STEPS)
This scenario reflects the prevailing policy environment, based on measures already implemented or under development and current deployment capacity for clean energy technologies. In Malaysia, this is reflected in the NCCP 2.0, which supports a more gradual emissions reduction pathway.

Implication: For PGB, this scenario reflects a more gradual policy environment, where existing measures under the NCCP 2.0 continue to guide Malaysia's transition. Natural gas continues to substitute higher emission fuels such as coal and oil, supporting the maintenance or selective expansion of gas infrastructure. Regulatory and transition pressures remain comparatively lower than under the APS, with reduced immediacy for accelerated decarbonisation.

The following table outlines the six key transition risks identified by PGB, categorised according to recognised transition risk categories. Each risk has been assessed for our level of exposure under the APS and STEPS, covering medium- to long-term projections from 2030 to 2050.

Risk Category	Transition Risks	Risk Level	
		APS 2030—2050	STEPS 2030—2050
Policy and Legal	Unable to timely prepare for the implementation of carbon tax due to uncertainty of implementation milestones of the RUUPIN and DPKK.	High to Very High	Medium
	Non-compliance with regulatory disclosure requirements due to constantly changing rating requirements	High to Very High	Medium to Low
Market	Limited access to financing and insurance coverage due to failure to fulfil the extensive ESG requirements from financiers and insurers	High to Very High	Medium
	Lower demand for gas-generated electricity due to shifting demand towards green electricity	Low to High	Low to Medium
Technology	Unable to adopt low-carbon and energy-intensive technologies due to economic affordability and customers' specifications	High	Low
Reputation	Unable to meet increased stakeholder expectations on PGB's climate change efforts and progress due to business strategy alignment and calibration	High to Very High	Medium to High

Low | Medium | High | Very High

Assessing Our Physical Risks

In 2025, we continued our collaboration with the PETRONAS Group and expanded the scope of our risk assessments from six assets in 2024 to seven assets, with the addition of export facilities in Tanjung Sulong Export Terminal (TSET), Kemaman, to evaluate the physical impacts of climate change. In addition, the 2025 assessment boundary includes gas processing and regasification activities.

The assessment used the same Shared Socio-economic Pathway 2-4.5 climate model as in the IPCC Sixth Assessment Report, consistent with the 2024 approach, as this remains the most plausible scenario.

All seven assets were assessed against seven critical climate hazards: extreme precipitation, lightning, drought, heat waves, storm surges, fluvial floods and pluvial floods. By 2050, these hazards may pose high, very high or extreme risks to our operations.

Hazards	Lightning*		Storm Surge		Fluvial Flood		Pluvial Flood		Extreme Precipitation		Drought		Heat Wave	
Region/Year	2030	2050	2030	2050	2030	2050	2030	2050	2030	2050	2030	2050	2030	2050
East Coast	Very High	-	Very High	Very High	Very High	Very High	Low	Low	Very High	Very High	Low	Low	Very Low	Very Low
West Coast	Very High	-	Very Low	Very High	Very Low	Very Low	Very Low	Very Low	Very High	Very High	Low	Low	Very High	Extreme
Southern	Very High	-	Very High	Very High	Very High	Very High	Very High	Very High	Very High	Very High	Low	Low	Very Low	Very Low

Very Low | Low | Very High | Extreme

Note:
* Future lightning risk cannot be predicted due to high uncertainty of the occurrence even when the condition is right. Possible correlation to extreme precipitation as a proxy in forecasting future lightning risk.

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To ensure comprehensive outcomes, we established a prioritisation approach to identify critical assets. Further assessments were conducted through site validation to confirm climate hazards, assess the adequacy of asset design and determine whether an adaptation plan was required. This process is intended to ensure robustness of our adaptation plan.

Additionally, we conducted a business interruption assessment for Gas Processing Kertih (GPK), given its exposure to fluvial flooding and its critical role in the gas value chain. Based on the assessed extreme precipitation event, the estimated financial impact associated with asset damage vulnerable to this climate hazard is RM61.1 million, representing approximately 3.3% of the total asset value assessed. Going forward, we will conduct site-specific validation of identified gas assets to assess their vulnerability to climate hazards. We will also develop additional adaptation measures based on the validation outcomes.

Building on these efforts, we will continue to enhance our management of the physical impact of climate change through dedicated climate-related physical risk assessments of our assets. The outcomes aim to guide our mitigation strategies and support the resilience of our assets and value chains to climate-related physical risks, helping us remain adaptive and future-ready in a rapidly evolving risk landscape.

Significant Areas of Uncertainty

Climate scenario analysis relies on forward-looking assumptions on policy developments, market dynamics, technological progress and projected physical climate conditions. These factors may evolve differently from current expectations. In assessing potential climate-related risks and opportunities, PGB considered key areas of uncertainty arising from transition scenario analysis based on the IEA APS and STEPS together with physical climate hazard modelling aligned with the SSP2-4.5 pathway used in the IPCC Sixth Assessment Report. These factors may influence the magnitude, timing and financial implications of potential impacts on the company's operations, capital allocation and long-term strategy.

Regulatory and Policy

Uncertainty persists regarding the timing, scope and implementation of carbon pricing in Malaysia, including the planned carbon tax and the possible introduction of emissions trading or hybrid regulatory mechanisms. This may affect future compliance obligations and the associated implications for assets, operations and cost structures.

Technology Adoption and Innovation

The development, scalability and commercial viability of low-carbon technologies, including carbon capture and renewable energy integration, remain uncertain. Changes in technology maturity and cost competitiveness may influence investment decisions and the future utilisation of existing infrastructure.

Market and Financial Dynamics

Demand for natural gas relative to green alternatives will depend on the pace of the national energy transition, evolving customer preferences and policy support for alternative energy sources. Increasing ESG expectations among financial institutions and insurers may affect access to financing, insurance availability and funding costs.

Physical Climate Risks

The frequency and severity of extreme weather events, including flooding and storm surges, remain uncertain. These events may affect infrastructure reliability, disrupt operations and increase maintenance and climate adaptation costs.

Capacity to Adjust or Adapt Business Strategy

PGB maintains the capacity to adjust its business strategy in response to climate-related risks and opportunities through capital allocation, asset flexibility and capability development. The company directs strategic capital towards sustainability initiatives supporting adaptation and decarbonisation. This includes potential investments in CCU, CCS and energy efficiency programmes across operations. To strengthen long-term resilience and support the evolving energy landscape, PGB is exploring opportunities to diversify its portfolio into low-carbon ventures. In addition, employees have been upskilled through training programmes, including the Carbon Footprint and Social Risk Assessment, to strengthen internal capability in managing climate-related risks and opportunities.

Availability and Flexibility of Financial Resources

PGB maintains financial flexibility to support climate-related initiatives through a combination of internal resources and external funding options. The company maintains a healthy cash position and prudent gearing levels, providing capacity to finance climate-related investments while preserving liquidity. Capital allocation balances long-term funding requirements for decarbonisation initiatives with short-term liquidity needs.

Ability to Redeploy, Repurpose, Upgrade or Decommission Assets

PGB retains flexibility to redeploy, repurpose, upgrade or decommission existing assets in response to evolving transition pathways and technology developments. The company's infrastructure and equipment can be adapted to support renewable feedstock integration and potential hydrogen applications as energy systems evolve. This flexibility supports the optimisation of existing assets while enabling alignment with decarbonisation pathways.

Current and Planned Investments

PGB's current and planned investments in climate-related initiatives aim to mitigate transition and physical risks, strengthen operational resilience and capture opportunities associated with the energy transition.

Current investments include energy efficiency projects across core operations to reduce Scope 1 and Scope 2 emissions and the deployment of digital monitoring systems to support climate-risk assessment and operational oversight.

Planned investments include potential capital allocation for renewable energy integration and carbon capture technologies that remain under evaluation. PGB is also exploring strategic partnerships related to bioenergy initiatives.

Financial Impact

PGB's investments in climate-related initiatives are expected to reduce exposure to regulatory and transition costs, improve operational efficiency and position the company to meet evolving climate-related regulatory requirements. Capital deployment will be managed through internal resources and external financing options to maintain financial flexibility.

Resilience Outcomes

Climate-related initiatives strengthen the company's capacity to manage climate-related risks by improving operational efficiency, enabling infrastructure adaptation to evolving energy systems and enhancing preparedness for regulatory and market shifts identified through scenario analysis.

Key Assumptions

When conducting the climate scenario assessment, PGB considered a range of key assumptions relating to policy developments, macroeconomic trends, national conditions, energy transition pathways and technological progress. These include the planned introduction of a carbon tax in Malaysia in 2026, as announced in Budget 2025.

The assessment also considered growing stakeholder expectations for greater ESG adoption and reporting requirements in Malaysia and the continued transition of the national energy landscape towards green and renewable energy sources.

Assumptions on energy usage and mix reflect increased adoption of renewable energy in line with Malaysia's NETR and rising demand for green electricity. The assessment further assumes continued access to relevant low-carbon technologies with improving cost competitiveness over time.

Adapting to and Mitigating Physical Risks

We remain dedicated to implementing the following climate risk mitigation and adaptation strategies, safeguarding our operations from extreme weather events:

Flood Preparation and Mitigation

Flood Committees have been established across all PGB operational locations. During the monsoon season, we mobilise these committees to implement flood intervention measures and coordinate emergency responses when flood events occur. Additionally, these committees support evacuation efforts and provide essential assistance to affected personnel and families, including post-flood clean-up activities, in close collaboration with local authorities, such as the Fire and Rescue Department of Malaysia (BOMBA) and the Public Services Department (JPA).

Protection From Storms

To strengthen our roofing systems, we conduct periodic studies and implement enhancements to ensure they withstand predetermined wind speeds of up to 28 m/s.

We utilise an enhanced clipping system to improve the structural integrity of the metal roofing deck and its components.

Corrosion Prevention

In collaboration with PETRONAS Research Sdn. Bhd., we apply innovative graphene-based technology to protect steel structures from corrosion, with the objective of extending asset lifespans by five to 15 years.

Mitigating Coastal Erosion

To mitigate coastal erosion risks, PGB implements breakwaters to protect operational sites from waves, tides and storm surges. These structures also provide sheltered conditions for vessel berthing and support the management of sediment movement within littoral and basin zones.

Safeguard the Environment
Climate Change Management

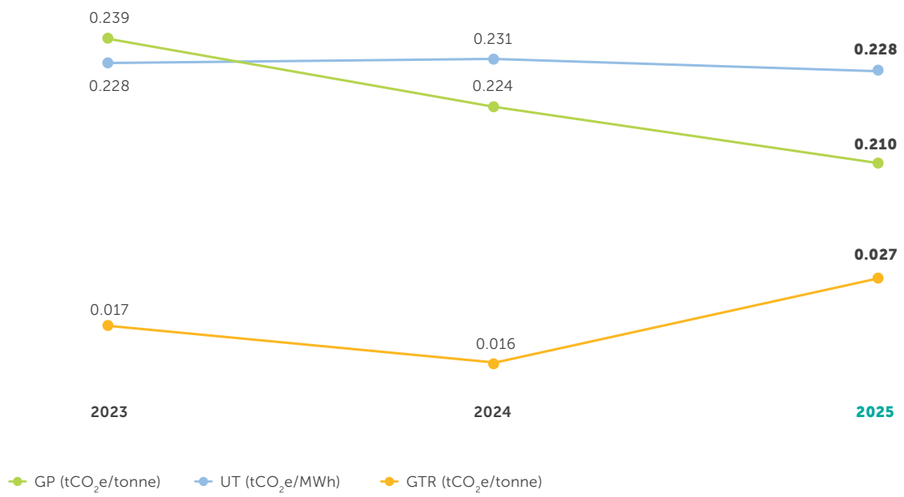
Our Performance

Our methodologies for quantifying our GHG emissions are aligned with internationally recognised standards, including the American Petroleum Institute (API) Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industries, the GHG Protocol and the PETRONAS Technical Standard (PTS). In 2025, we adopted the PTS 18.72.05 GHG Emissions Management, which requires the use of the API GHG Compendium to calculate GHG emissions.

During the year, GPU's GHG emissions data were internally audited in accordance with the PTS 18.72.05 GHG Emissions Management and ISO 14064, while GTR's GHG emissions data were verified through a third-party audit by Lloyd's Register Quality Assurance in accordance with ISO 14064. The audit identified three minor findings, all of which were addressed and closed within the reporting period.

For GHG emissions consolidation, we continue to use the operational control method, accounting for 100% of emissions from operations under our operational control. We do not include emissions data for real estate holdings in our calculations, as PGB is a non-REIT organisation.

GHG Intensity



We maintained steady performance in Gas Processing (GP) during the year, attributable to the flare-reduction project, which improved overhead compressor reliability, enabling more gas to be monetised rather than flared. Utilities (UT) performance also improved, driven by higher operating efficiency and cleaner fuel gas utilisation.

However, we recorded an increase in GHG intensity for Gas Transportation and Regasification (GTR) primarily due to non-routine emissions associated with the Putra Heights pipeline safety incident, which involved a major natural gas pipeline fire and significant methane release.

GHG Emissions

GHG Emissions (tCO_2e)	2022	2023	2024	2025
Scope 1	N/A	5,859,402	6,074,946	**5,475,205.02**
Scope 2	N/A	49,165	51,319	**73,304.74**
Scope 3 – Category 3: Fuel and Energy-Related Activities	568,027	537,213	545,382	**Will be disclosed next year**
Scope 3 – Category 10: Processing of Sold Products	303,711	287,643	325,720	**Will be disclosed next year**
Scope 3 – Category 15: Investments*	557,758	642,508	574,874	**Will be disclosed next year**
Gross Total (Scopes 1 and 2)	N/A	5,908,567	6,126,265	**5,548,509.76**
Gross Total (Scopes 1, 2 and 3)	N/A	7,375,931	7,572,241	**Will be disclosed next year**
Gross Total (Scope 3)	1,429,496	1,467,364	1,445,976	**Will be disclosed next year**
Carbon Credit Retired	0	0	0	**0**
Net Total (Scopes 1 and 2)	N/A	5,908,567	6,126,265	**5,548,509.76**
NZCE 2050 Pathway Trajectory (Total Scopes 1 and 2)	N/A	5.86	5.78	**5.71**
Net Total (Scopes 1, 2 and 3)	N/A	7,375,931	7,572,241	**Will be disclosed next year**

Note:
* Accounts for emissions from KPSB, PGSSB and GMB only. Emissions from other entities were found to be immaterial.

In 2025, PGB's Scope 1 emissions decreased overall. The reduction was driven primarily by lower flaring at GPU following improvements to overhead compressor reliability, which enabled more gas to be monetised rather than combusted. However, GTR recorded an increase in emissions due to the Putra Heights pipeline safety incident.

Scope 2 emissions increased compared to 2024, largely attributable to the commissioning of new motor-driven compressors in Kluang to strengthen gas supply security within the PGU pipeline network in the southern region of Peninsular Malaysia.

The Scope 3 materiality assessment covered all 15 categories and identified three material categories, which collectively accounted for 95% of the total accounted Scope 3 emissions. These categories were determined to be material based on the magnitude of emissions, in line with the GHG Protocol Corporate Value Chain Standard (2011), and are as follows:

Category 3
Fuel and Energy-Related Activities

Well-to-tank emissions for natural gas and electricity purchased by PGB not yet included in Scope 1 and Scope 2 emissions[1].

Category 10
Processing of Sold Products

Emissions resulting from the processing of PGB's nitrogen, oxygen and steam products by downstream customers.

Category 15
Investments

Emissions resulting from PGB's joint ventures and associate companies.

Safeguard the Environment
Climate Change Management

The Scope 3 categories are central to PGB's near-term management approach. Over the past three years, PGB has progressively strengthened Scope 3 data coverage, assessment methodologies and internal governance, improving visibility of emissions drivers across the value chain. This phased approach supports readiness for future target calibration while accounting for data availability, value chain engagement and evolving disclosure requirements.

Aligned with the requirements of the NSRF and IFRS S1 and S2, we will continue to disclose our material Scope 3 categories accordingly[2]. Following Bursa Malaysia's retraction of the disclosure requirements for Categories 6 and 7, these categories have been excluded in this reporting cycle, allowing us to focus on Scope 3 categories that are most material to us.

This disclosure enables us to assess the adequacy and effectiveness of our current efforts in managing GHG emissions across the value chain. In addition, incorporating carbon footprint assessments into our investment decisions has enabled our management to make informed choices to secure a sustainable, low-carbon business portfolio.

Notes:
1 PGB accounts for Category 3 emissions using DEFRA emission factors that include upstream emissions from fuel extraction, refining and transportation. As fuel consumed by PGB assets is processed through its own gas processing facilities, a slight overlap may occur between Category 3 and reported Scope 1 and Scope 2 emissions. PGB intends to adopt more specific emission factors as value chain reporting matures to improve boundary precision and minimise potential overlap.

2 Due to reliance on data from the value chain, the disclosure of Scope 3 emissions will shift by one reporting cycle to allow companies within the value chain to disclose their information prior to its use in our Scope 3 calculations.

Scope 1 Breakdown by GHG Type

Pollutant (tonnes)	2023	2024	2025	Global Warming Potential (GWP)*
Carbon dioxide (CO_2)	5,471,599.79	5,752,363.01	**5,233,335.84**	1
Methane (CH_4)	14,670.71	14,112.66	**11,745.31**	25
Nitrous oxide (N_2O)	70.42	70.76	**72.29**	298

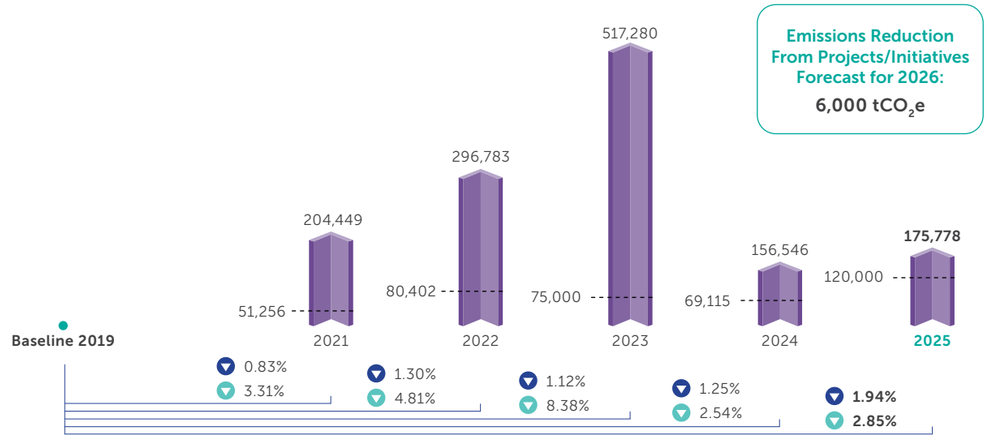
Note:
* GWP is a factor describing the radiative forcing impact of one mass-based unit of a given GHG relative to an equivalent unit of carbon dioxide. Hence, the higher the value, the higher the global warming impact of the specific type of GHG. Currently, our GWP factors are derived from the Fourth Assessment Report. For 2026 onwards, PGB will shift to GWP factors from the Sixth Assessment Report in alignment with the new PETRONAS Technical Standards Greenhouse Gas Emissions requirements.

In 2025, GPU recorded lower carbon dioxide emissions due to enhanced operational efficiency, cleaner fuel utilisation and flaring-reduction initiatives, as reflected in our improved GHG intensity. Our emissions decreased following the commissioning of a new Acid Gas Oxidiser (AGO) at GPS at the end of 2024, resulting in a significant reduction in methane emissions in 2025.

GTR recorded a 30% increase in methane emissions compared to 2024, primarily driven by non-routine emissions associated with the Putra Heights pipeline safety incident. Following the incident, extensive post-incident enhancements were carried out to stabilise the system and ensure uninterrupted operations and supply within the PGU pipeline network. These recovery and operational measures also led to higher carbon dioxide emissions than in 2024.

GHG Reduction Targets for Scope 1 and 2 Emissions (Forecast vs Actual)

In 2025, we set the following short-term targets in emissions-reduction initiatives/projects in 2026:



In 2025, we completed three Scope 1 emissions-reduction initiatives across our facilities, encompassing operational optimisations and flaring reductions.

The completion of overhead compressor enhancements in 2024 was our largest contribution in 2025, as we recorded improved uptime for the Gas Processing Santong overhead compressor, resulting in a flaring reduction of 159,944 tCO_2e.

Abatement Strategies	Projects	Reduction (tCO_2e)
Eliminate or Reduce Emissions	**GPU** • Overhead compressor utilisation improvement at Gas Processing Santong • Off gas rerouting at Gas Processing Kertih • Gas turbine optimisation at Utilities Kertih	**Scope 1:** • 159,944.29 • 12,747.85 • 3,086.01
Total Reduction		**175,778.15**

Note:
* From baseline emissions of 6.17 million tCO_2e in 2019.

Moving Forward

We will continue to strengthen climate risk management and emissions reduction efforts across our operations in line with evolving regulatory requirements and industry expectations. Emphasis will be placed on improving energy efficiency, enhancing emissions monitoring and supporting the transition to lower-carbon energy systems. We will also advance climate-related disclosures to ensure transparency and alignment with national and global standards.

Safeguard the Environment
Pollution Management

Why It Matters

Protecting the environment is integral to how we operate and grow. As one of the major contributors to national development, we recognise that every operational decision we take may have significant environmental impact. With environmental challenges intensifying, stakeholders increasingly value organisations that demonstrate accountability and support sustainable ecosystems.

Our commitment to environmental stewardship is both a moral responsibility and a strategic advantage, reinforcing regulatory compliance, meeting stakeholder expectations and supporting resilient growth across our value chain. We take active steps to minimise pollution by optimising resource use and responsibly managing effluent and air emissions for future generations.

Our Approach

Responsible Pollution Management Through Robust Frameworks

We remain committed to minimising pollution through the responsible management of effluent, air emissions and resource use across our operations. Guided by the PGB Health, Safety and Environment (HSE) Policy, we ensure that our environmental risks and hazards are effectively managed.

Our practices remain aligned with global and industry standards, including the International Organization for Standardization (ISO), Original Equipment Manufacturer (OEM) standards and other relevant regulatory frameworks. We further align our resource management efforts with UN SDG 12 (Responsible Consumption).

In addition, we reduce risks to levels "as low as reasonably practicable" (ALARP) by actively identifying environmental hazards, such as resource depletion and excessive effluent and emissions generation. This approach enables us to continue implementing the ongoing measures outlined below, which prevent pollution and protect the environment.

	Initiatives	Impacts
Resources	Condensate Water Recycling Through Customer Collaboration	Reduces water consumption
Pollution	Combustor Upgrading for Unit 1 Compressor (Segamat Compressor Station)	Improves air emission performance and enhances compliance with environmental standards
Air Emissions	Predictive Emission Monitoring System (PEMS)	Enables real-time and predictive monitoring of air emissions, allowing proactive identification and mitigation of potential abnormal readings and improving compliance and operational efficiency

Enhancing Operational Sustainability Through Life Cycle Assessments

To monitor our environmental impact, we collaborated with the PETRONAS HSE Product Stewardship and Toxicology team to conduct Life Cycle Assessments (LCA) of our products from PGB facilities. The assessments are part of the ISO 14040/44 standards (Environmental Management: Life Cycle Assessment) and help us identify opportunities for pollution prevention by enhancing the efficient use of natural resources.

	GPK and GPS	GT	UK and UG	TSET
Products Assessed	• Sales gas (C1) • Ethane (C2) • Propane (C3) • Butane (C4) • Condensate (C5+) • CO_2 (only for GPK)	• Sales Gas • LPG • Ethane • Propane • Butane • Condensate	• Electricity • Steam • Demineralised water • Cooling water • Raw water • Gaseous N_2 • Liquid N_2 • Liquid O_2 (UK only) • Gaseous O_2 (UK only) • Argon (UK only) • Instrument air (UK only)	• Propane (C3) • Butane (C4) • Liquefied Petroleum Gas (LPG)

Products that have been assessed under the LCA study for Gas Transmission (GT):

Life Cycle Analysis

Air Emissions Management

To maintain compliance with the Environmental Quality (Clean Air) Regulations 2014 and proactively manage emissions, we continue to employ Continuous Emission Monitoring Systems (CEMS) and Predictive Emission Monitoring Systems (PEMS), supplemented by periodic air quality evaluations conducted by accredited third-party contractors. The CEMS allow us to monitor air emissions in real time and is integrated with the Department of Environment's Integrated Remote Monitoring System (iREMOTE) platform, with technical support from our GPU Technical Centre (GTC). This enables us to promptly identify and rectify any irregularities in emissions readings.

Upgrading of Combustor Unit at Compressor Station

As part of our ongoing efforts to manage air emissions across our operations, PGB completed the upgrade of a combustor for a compressor at the Segamat Compressor Station during the reporting period. The upgrade focused on improving combustion performance to support better control of air emissions during routine operations. The initiative was fully implemented as planned, with a total capital expenditure of RM38 million. This forms part of PGB's broader approach to strengthening air emissions management while maintaining compliance with applicable regulatory requirements.

Safeguard the Environment
Pollution Management

Resource Management

To reduce freshwater consumption, we have implemented a range of water efficiency and conservation initiatives. They include condensate water recycling through collaboration with neighbouring customers, rainwater harvesting to support daily operational needs, systematic rectification of water and steam leaks and enhancements to condensate recovery systems.

Collectively, these measures supported more efficient water use within operations, improved internal water reuse and reduced reliance on freshwater sources, contributing to PGB's approach to responsible water management across our facilities.

Key initiatives implemented during the reporting period include:

Condensate Water Recycling Through Customer Collaboration	Recycling condensate water through collaboration with customers by repurchasing and reusing condensate from supplied steam
Rainwater Harvesting	Installation of a rainwater harvesting system at GPK Green Scheduled Waste Yard for use in daily operations
Water and Steam Leak Rectification	Rectification of water and steam leaks to reduce water wastage and improve system efficiency
Condensate Recovery to Minimise Freshwater Use	Enhancement of condensate recovery through refurbishment of the UK Brine Reverse Osmosis (BRO) system to optimise condensate recovery and reduce freshwater use

Raw Materials (Chemicals) Usage (Annual Consumption in kg)

Unit	Type of Chemical	2023	2024	2025
Cooling Water	3DT 129	9,259	9,619	**13,942**
	3DT 199	3,960	3,290	**7,036**
	3DT 304	10,586	10,187	**19,433**
	GN8020	24,032	22,605	**21,254**
	N7330	12,816	14,842	**23,496**
	NX1103	14,137	13,867	**11,506**
	NX1104	12,976	12,697	**10,895**
	Sodium Hypochlorite	280,000	229,200	**12,573**
Total		367,766	316,307	**120,135**
Boiler Water	ELIMINOX	4,270	4,297	**8,759**
	HTP73614	20,568	17,850	**20,702**
	NA0660	5,171	4,888	**4,751**
	OS5300	5,359	5,121	**5,057**
	TriAct 1800	28,531	30,805	**55,700**
Total		63,899	62,961	**94,969**
Grand Total		431,665	379,268	**215,104**

Effluent Management

We are committed to the responsible management of industrial effluent, which is primarily generated at GPK, GPS, UK and RGTP facilities, in full compliance with the Environmental Quality (Industrial Effluent) Regulations 2009 (IER 2009). In addition, the discharges from our Industrial Effluent Treatment Systems (IETS) are closely monitored to meet the Department of Environment's Standard B limits.

Regular performance assessments are carried out by a DoE-certified IETS-competent professional, with all results submitted through the DoE's Online Environmental Reporting (OER) system. We further strengthened the oversight of our effluent management through a combination of internal and independent laboratory analyses, supported by on-site online monitoring instruments, ensuring precise, reliable and verifiable management of final effluent discharges.

In 2025, we further conducted an analysis, as detailed in the following summary:

Situational Assessment for IETS GPU/GTR

PGB conducted a situational assessment of IETS and Sewage Treatment Systems (STS) across GPU and GTR operations to evaluate compliance with applicable requirements. The assessment was initiated by Group Health, Safety and Environment (GHSE), Gas Transportation Services (GTS) and the Gas and Maritime Business.

The assessment covered five key elements:

The assessment was conducted through data gathering, interviews and site assessments carried out between February and September 2025, referencing DoE and SPAN guidelines, PTS 18.72.04 Wastewater Management and relevant internal standard operating procedures. This is to provide a clear view of the compliance status of PETRONAS IETS and STS facilities and inform targeted actions to strengthen operational control, system performance and organisational capability in preparation for stricter enforcement under the amended Environmental Quality Act 1974.

Industrial Effluent Characterisation Study for PLNG2

In October 2025, we completed the Industrial Effluent Characterisation Study (IECS) for Pengerang LNG (TWO) Sdn. Bhd. (PLNG2) to establish a representative baseline of influent characteristics and determine the treatment requirements. The study was a recommendation from the situational assessment carried out in May 2025 as part of the GHSE initiative and in accordance with DoE regulations and guidelines.

The findings of the IECS require us to verify whether our existing IETS is subject to IER 2009 compliance. The study confirmed that PLNG2 is not subject to the IER 2009 under the First Schedule (List of Premises to which these regulations do not apply). Nevertheless, to ensure that any accidentally contaminated water or effluent is effectively managed, we recommend partially maintaining the current IETS equipment with certain exclusions.

Safeguard the Environment

Pollution Management

Effluent Performance

The table below outlines the IETS discharges and COD levels across our plants from 2022 to 2025, including the respective discharge sites. All measurements complied with IER 2009 Standard B requirements.

Plant	Destination	Effluent Quality	2023	2024	2025
GPK	Sg. Kertih	Amount of Effluent Discharge (m^3)	38,853.00	48,928.98	**37,293.36**
		COD Loading (tonnes)	3.32	3.46	**1.66**
GPS	Sg. Paka	Amount of Effluent Discharge (m^3)	32,673.00	48,471.22	**44,193.95**
		COD Loading (tonnes)	0.98	1.35	**0.88**
UK	Sg. Kertih	Amount of Effluent Discharge (m^3)	705,236.00	915,532.22	**706,633.34**
		COD Loading (tonnes)	25.22	32.24	**21.39**
RGTP	South China Sea	Amount of Effluent Discharge (m^3)	0	0	**0**
		COD Loading (tonnes)	0	0	**0**
Total		Total Amount of Effluent Discharge (m^3)	776,762.00	1,012,932.42	**788,120.65**
		COD Loading (tonnes)	29.52	37.05	**23.93**

Effluent Compliance

We have established an internal threshold for specific parameters in GPU's IETS, which are below the Standard B limits under the IER 2009, enabling early detection of irregularities in the IETS process.

Additionally, we conduct routine monitoring of seawater and river conditions in accordance with the frequencies specified in the Environmental Management Plan (EMP). Together, these measures support our sustained record of zero incidents of non-compliance with discharge limits.

Incidents of Non-Compliance Related to Discharge Limits	2023	2024	2025
Total	0	0	**0**

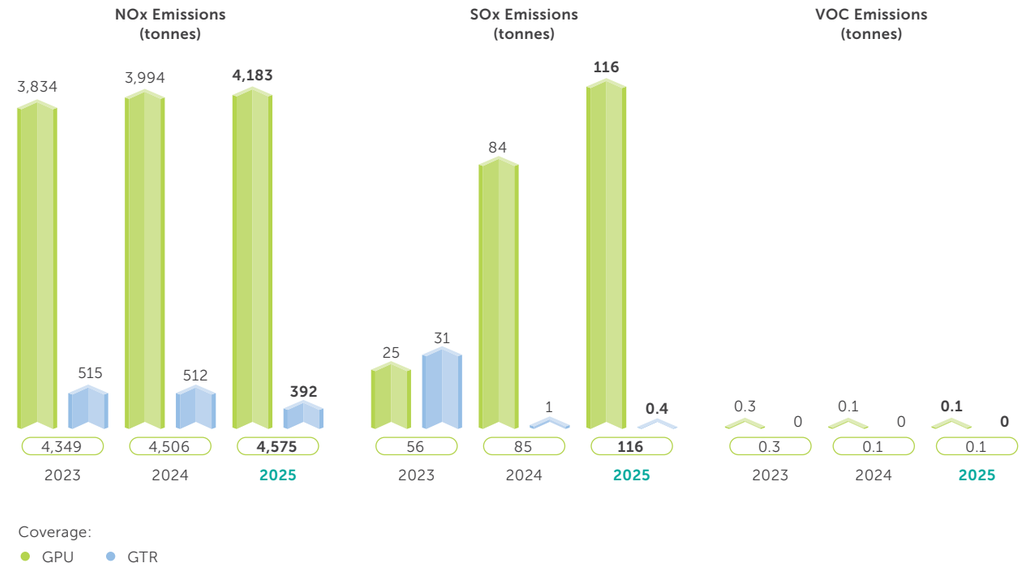
Air Emissions Management

To maintain compliance with the Environmental Quality (Clean Air) Regulations 2014 and proactively manage emissions, we continue to employ Continuous Emission Monitoring Systems (CEMS) and Predictive Emission Monitoring Systems (PEMS), supplemented by periodic air quality evaluations conducted by accredited third-party contractors.

The CEMS allow us to monitor air emissions in real time and are integrated with the Department of Environment's Integrated Remote and Monitoring System (iREMOTE) platform, with technical support from our GPU Technical Centre (GTC). This enables us to promptly identify and rectify any irregularities in emissions readings. As of 2025, we have installed 39 units of CEMS across our facilities.

Air Emissions Performance

We actively monitor air emissions by measuring Nitrogen Oxides (NOx) and Sulfur Oxides (SOx) levels, as well as quantifying Volatile Organic Compound (VOC) emissions across all our facilities.



Environmental Fines and Penalties

In 2025, we maintained our record of zero environmental fines and penalties and continued to meet all applicable environmental requirements.

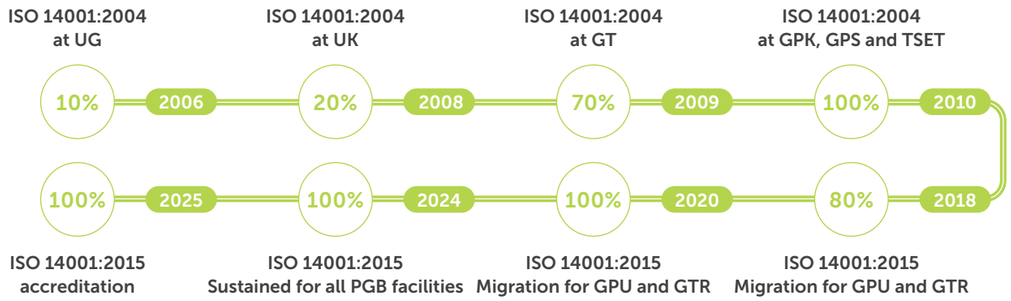
	2023	2024	2025
Number of Environmental Fines and Penalties	**0**	**0**	**0**
Total Environmental Fines (RM)	**0**	**0**	**0**

Safeguard the Environment
Pollution Management

Demonstrating Environmental Excellence Through ISO Certification

Since 2006, we have progressively attained ISO certifications, beginning with Utilities Gebeng (UG) and Utilities Kertih (UK), achieving ISO 14001:2004 in 2008. The certification was subsequently expanded in 2010 to other facilities, including Gas Processing Kertih (GPK), Gas Processing Santong (GPS), Tanjung Sulong Export Terminal (TSET) and Gas Transportation (GT). We have since successfully transitioned to full certification under ISO 14001:2015.

As of 2025, 100% of our sites, including RGTSU and RGTP, maintained the ISO 14001:2015 accreditation, reflecting our commitment to efficient resource use and effective effluent and air emissions management in line with global sustainability standards. These certifications reinforce our competitive edge in the industry and strengthen our reputation with stakeholders.



Upholding Standards Through Environmental Audits

RGTSU and RGTP conduct annual third-party environmental audits to assess the compliancy with Environmental Impact Assessment (EIA) requirements. These audits are carried out by DoE-registered auditors. The selected facilities also engage SIRIM auditors for annual independent limited assurance audits to maintain ISO 14001:2015.

Driving Impact Through Environmental Collaborations

We continue to collaborate with local authorities, NGOs and other partners to support the preservation and sustainable management of ecosystems. Our initiatives have reinforced partnerships, enhanced community engagement and encouraged active participation among our people. On 4 October 2025, GPU collaborated with the Terengganu DoE to promote environmental awareness at the Terengganu State-Level World Ozone Day celebration by showcasing methane management innovations. The exhibition featured Leak Detection and Repair camera technology, drone-based leak detection and the phase-out of ozone-depleting R22 refrigerants.

Moving Forward

We will continue to strengthen pollution prevention and control measures across our operations by enhancing monitoring, improving operational practices and maintaining strict compliance with applicable regulatory and industry standards. Emphasis will be placed on minimising effluent discharges and air emissions, optimising resource use and reinforcing preventive controls to reduce environmental risks and safeguard surrounding ecosystems.

Safeguard the Environment
Waste Management

Why It Matters

PGB maintains rigorous waste management practices to address the multiple streams of waste generated across its operations. This includes systematic handling, storage and disposal practices, enabling us to mitigate environmental risks, maximise material recovery and act as a catalyst for a circular economy. Our responsible waste management demonstrates our steadfast commitment to environmental protection while ensuring regulatory compliance at all our sites.

Our Approach

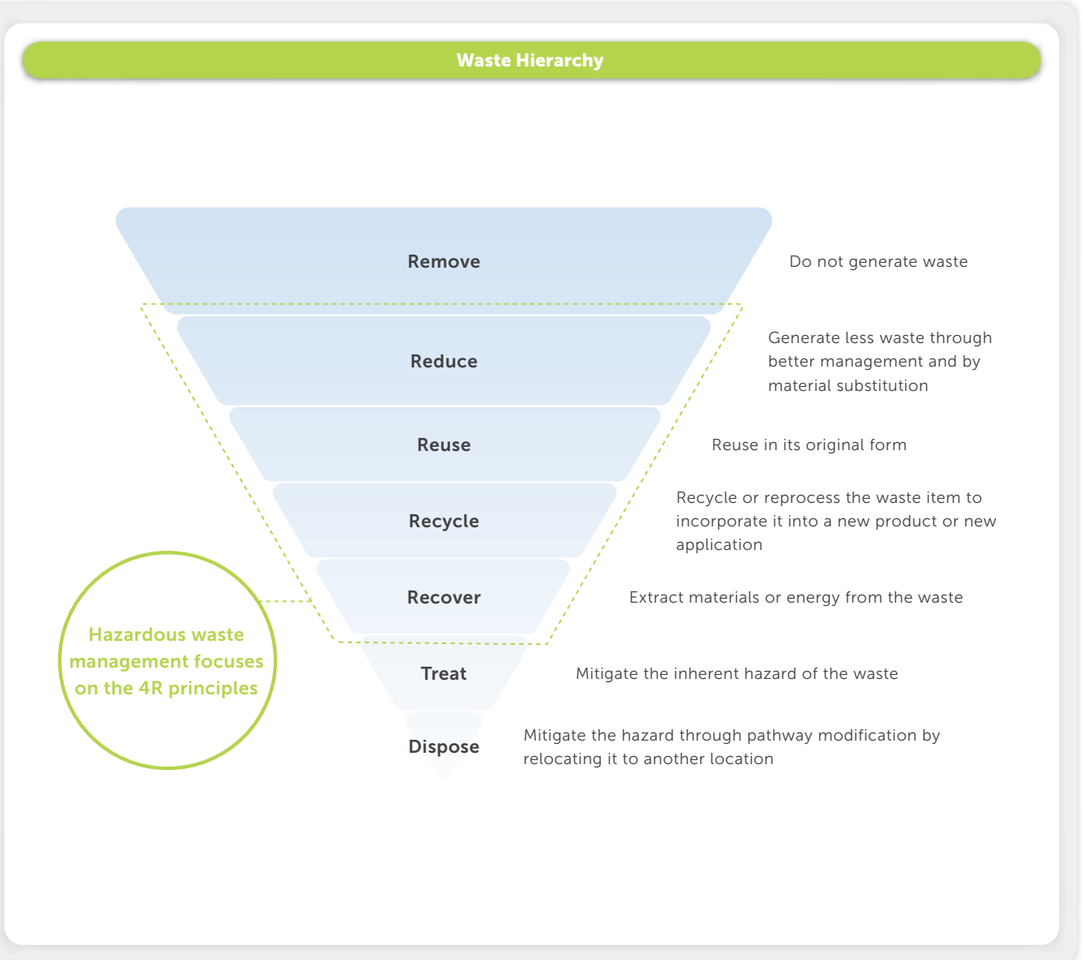
Adopting a Systematic and Informed Approach

Our operations generate waste mainly through routine activities, maintenance tasks, shutdowns and turnaround activities. Responsible waste management is embedded into our HSE Policy and is implemented through a Waste Management Plan that is reviewed annually to align with best practices.

	Initiatives	Impacts
Hazardous Waste	Recovery of spent activated carbon	Reduces the resources required for the generation of new products
Non-Hazardous Waste	4R Campaign: Towards a Sustainable Environment (collection of used coveralls, clothes, toys and school uniforms)	Reduces waste disposed to landfills

Safeguard the Environment
Waste Management

We distinguish between hazardous and non-hazardous waste and apply handling approaches that meet the specific requirements of each category. Our strategy is anchored in the Waste Hierarchy, using the 4R principles of Reduce, Reuse, Recycle and Recover to set clear priorities and drive continuous improvement in waste management.



We use Environmental Aspect Impact (EAI) assessments as a core control within our Environmental Management System (EMS), aligned with ISO 14001:2015. We conduct these assessments across operations, maintenance, projects and turnarounds to identify and manage actual and potential waste-related impacts. Samples of typical waste outputs are outlined in the following table:

Activity	Inputs	Outputs
Routine operations in wastewater treatment plants	Activated carbon, chemicals, e.g. soda ash	Sludge waste, Spent activated carbon
Machinery maintenance activities (Lube oil change-out)	Lube oil	Spent lube oil
Turnaround (Vessel cleaning)	Water	Oil in water mixture

Hazardous Waste Management

To meet local authority requirements, we engage licensed waste contractors registered with the Department of Environment (DoE) to manage hazardous waste. We perform third-party assurance reviews to confirm their ongoing compliance with environmental legislation.

We also monitor the Electronic Scheduled Waste Information System (eSWIS) developed by the DoE to track waste data from generation to treatment and disposal. This system streamlines processes and improves reporting accuracy to support effective and transparent waste management.

Key Activities in Managing Hazardous Waste in 2025

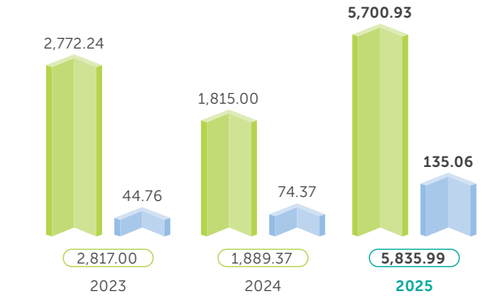
Recovery of Electrical and Electronic Waste	PGB implemented an electrical and electronic waste recovery initiative from 26 October to 3 November 2025 to manage end-of-life electronic equipment generated through employee use and operational activities. The initiative formed part of PGB's approach to handling electrical and electronic waste in accordance with environmental and regulatory requirements. Recoverable materials, such as metals and plastics, were channelled into manufacturing reuse streams, while hazardous components were disposed of in accordance with environmental regulations. Approximately 255.11kg of electrical and electronic waste was recovered and processed during the year, supporting landfill diversion and resource conservation.
Recovery of Spent Lube Oil	Building on the recovery practices implemented in prior years, spent lube oil generated from machinery maintenance activities continued to be recovered and processed through licensed recovery facilities in 2025. The spent oil was collected during scheduled maintenance activities and treated to remove contaminants before being refined into low-grade oil for reuse in automotive and machinery applications. This ongoing recovery process supported consistent management of hazardous waste while reducing reliance on new oil production. Approximately 361.24MT of spent lube oil was recovered through this process.
Recovery of Spent Activated Carbon	Consistent with practices established in previous years, spent activated carbon generated from wastewater treatment and other industrial processes continued to be managed through licensed recovery facilities for regeneration and reuse in 2025. The recovery process involved thermal or steam regeneration to restore adsorption capacity, followed by quality testing prior to reuse in applications such as water treatment and air purification. This approach supported the continued reduction of hazardous waste disposal and a more efficient use of raw materials. Approximately 160.68MT of spent activated carbon was regenerated during the year.
Recovery of Oily Sludge	Oily sludge generated from operational and maintenance activities, including sump pits and process units, was collected and treated to recover usable components where feasible. The waste was transferred to licensed facilities where recovery processes were applied, with non-recoverable residues disposed of in compliance with applicable environmental regulations. Approximately 67.61MT of oily sludge was recovered and processed, supporting resource recovery while ensuring responsible management of hazardous residues.
Recovery of Spent Filter and Used Personal Protective Equipment	Spent filters and used Personal Protective Equipment (PPE) were collected and managed to minimise environmental and health risks. These materials were segregated at the site level and transferred to licensed waste contractors for decontamination, treatment and disposal. Recoverable materials were processed where feasible, while non-recoverable waste was directed to secured disposal facilities. Approximately 371.90MT of spent filters and used PPE were managed in 2025, reducing reliance on secured landfills and supporting compliance with scheduled waste regulations.

Safeguard the Environment
Waste Management

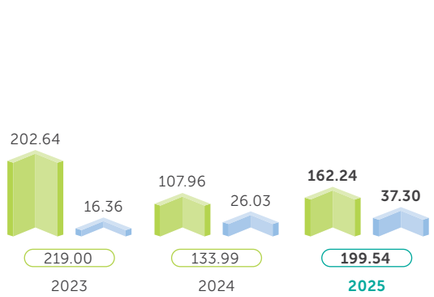
Our Performance

Hazardous Waste Management

Quantity of Hazardous Waste Generated (MT)



Quantity of Hazardous Waste Disposed (MT)

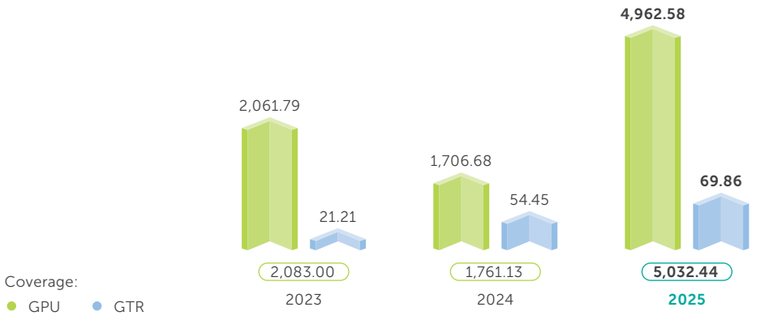


Coverage:
GPU GTR

Hazardous Waste Disposed by Disposal Operations (MT)

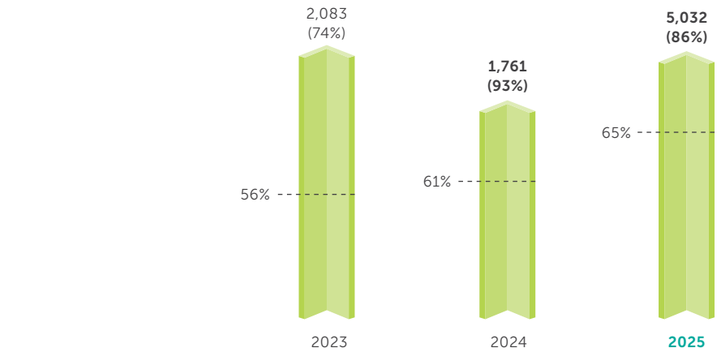
Type of Disposal Operation	GPU			GTR		
	2023	2024	2025	2023	2024	2025
Incineration with energy recovery	0	0	**0**	0	0	**0**
Incineration without energy recovery	191.11	87.39	**102.41**	14.01	19.30	**27.08**
Secured landfill	6.60	0	**9.10**	1.19	2.92	**7.99**
Other disposal operations (i.e. physical treatment, solidification)	4.93	20.57	**50.73**	1.16	3.81	**2.23**

Hazardous Waste Diverted From Disposal by 4R Activities — Waste Recycled (MT)



Type of Recovery Operation	GPU			GTR		
	2023	2024	2025	2023	2024	2025
Preparation for reuse	0	0	**0**	0	0	**0**
Internal recycling	0	0	**0**	0	0	**0**
Other recovery options – Third-party prescribed premises	2,061.79	1,706.68	**4,962.58**	21.21	54.45	**69.86**

Actual Against Target 4R



	2023	2024	2025
Target 4R (%)	56	61	**65**
Actual 4R (%)	74	93	**86**
Actual (MT)	2,083	1,761	**5,032**

Notes:
In addition to complying with existing regulations, our efforts to reduce and avoid waste are guided by the year-specific targets that we set. These 4R targets increase every year, showcasing our commitment to sustainable operations. Preliminary targets are based on 2022 plans. A high actual 4R % is due to new 4R projects at our facilities. For long-term commitment and sustainability, we entered into a long-term contract with a 4R company.

In addition to our hazardous waste management efforts, we apply the same responsibility to the management of our non-hazardous waste. We have implemented a range of initiatives aimed at preventing waste generation and managing its associated impacts. Several of these initiatives are delivered through collaboration with other companies to extend their reach and effectiveness.

Key Activities in Managing Non-Hazardous Waste in 2025

GPU Free Market at Dewan Sivik Kertih

As part of our community well-being and development agenda, PGB once again organised the GPU Free Market at Dewan Sivik Paka on 22 March 2025, themed around sharing the spirit of Aidilfitri and supporting the local community. GPU staff volunteers from various departments organised this charity programme to support underprivileged communities in Paka and Kertih while promoting responsible consumption practices among employees. The initiative encouraged the 3Rs — Reuse, Reduce and Recycle — through the collection and redistribution of pre-loved items.

The charity programme strengthened engagement with communities near GPU operations and aligned with PETRONAS' positive social impact agenda. GPU staff collected and distributed donated items, including clothing, footwear, toys, books and household utensils. The event recorded a positive community participation, with attendees arriving before the opening and approximately 40% of items taken within the first hour.

Volunteers provided hands-on support to families and children throughout the event and helped with the distribution of items. Participants provided positive feedback and expressed interest in future programmes. The charity programme incurred a total expense of RM4,885, well below the approved budget.

The team identified opportunities to enhance future programmes, including staggered restocking of high-demand items, improved quality control of donations and potential collaboration with recycling partners to manage remaining items.

Safeguard the Environment
Waste Management

4R Campaign

PGB conducted the 4R Campaign from 9 to 18 November 2025 with active participation from the GPU workforce. To support awareness and participation, the organising team circulated digital email posters among the GPU fraternity to communicate the campaign objectives and collection arrangements. The campaign encouraged staff to donate coveralls, pre-loved clothing, toys and school uniforms in support of the *Kumpul, Kitar, Kongsi* initiative, which promotes collecting, recycling and sharing practices.

During the campaign period, GPU staff contributed a total of 256.80kg of clothing, bags and footwear. The organising team sorted the donated items and prepared them for redistribution through the Free Market Go Green Mushtari programme. By diverting usable textile items from disposal and channelling them for reuse, the initiative supported efforts to reduce textile waste sent to landfills while reinforcing recycling awareness among employees.

Recycling Month in Conjunction With HSE Month 2025

PGB organised the Recycling Month in conjunction with HSE Month 2025, from 1 to 31 July, at the Segamat Operation Centre (SOC) and the Pasir Gudang Regional Office. The initiative aimed to promote environmental awareness among employees and encourage active participation in recycling activities across operational sites. During the campaign, employees collected a range of recyclable materials, reflecting engagement across multiple waste streams. The following summarises the items and quantities collected:

Plastic
46.2kg

Paper
147kg

Used cooking oil
101kg

Aluminium
9kg

The programme increased employee participation in recycling initiatives and supported ongoing efforts to manage recyclable materials in a structured and measurable manner.

Food Waste Recycling Initiative: Closing the Loop Through In-House Composting

In line with our commitment to circular resource management and waste minimisation, PGB has implemented an in-house food waste composting programme to divert pantry food scraps from landfills. This initiative also focuses on managing food waste at the source and converting organic waste into a usable output for our employees.

- Transforming Food Waste Into Usable Compost

  Food waste generated from office pantry areas, including fruit peels, vegetable offcuts and meal remnants, is processed using an on-site food composter. The composter applies controlled aeration, heat and microbial activity to convert organic waste into compost within a short processing cycle. This approach reduces the volume of food waste requiring off-site disposal.

- Supporting a Circular Resource System

  The compost produced through the programme is used for internal landscaping and distributed to employees for personal gardening and small-scale community planting activities. This internal reuse supports a closed-loop approach by returning processed organic waste to practical use rather than disposal.

- Encouraging Responsible Food Waste Practices Among Employees

  By involving employees in the separation of pantry food waste and providing access to the compost produced, the initiative reinforces responsible food waste management practices at the workplace. The programme also encourages employees to apply similar practices at home, extending awareness of food waste reduction beyond office operations.

Key Benefits

Waste Diversion	Significant reduction of food waste disposed to landfills
Emissions Reduction	Lower carbon footprint associated with organic waste breakdown
Resource Recovery	Conversion of waste into usable compost for staff and internal landscaping
Employee Empowerment	Enhanced sustainability mindset and engagement across the organisation
Cost Efficiency	Reduction of waste collection volumes and avoidance of external disposal fees

The food waste composting initiative demonstrates our commitment to circularity, resource efficiency and stakeholder engagement. By returning compost to employees, we extend sustainability practices beyond the organisation into the homes and communities of our people.

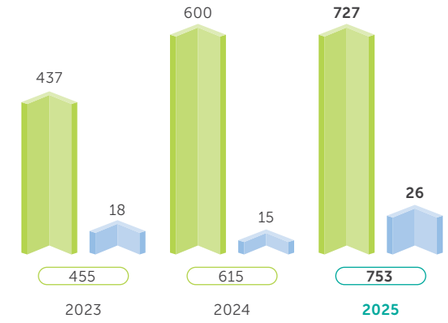
Laman Hijau Campaign, Kertih RO

GTR launched the Laman Hijau Campaign at the Kertih RO on 28 July 2025. It was led by one of our project management teams, Consortium APID — comprising Asia Propel Sdn. Bhd., I Drill Pipelines Constructions Sdn. Bhd. and Prodigy World Solutions Sdn. Bhd. — and GTR. The campaign aimed to promote a greener and healthier work environment.

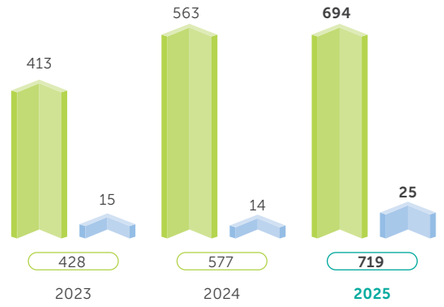
The initiative promoted the 3R programme by encouraging sustainable gardening practices through the use of recycled materials and repurposed items. Activities included vegetable and flower planting, plant tagging and team-based engagement activities. These activities supported environmental awareness, stress management and the reinforcement of a positive safety culture through teamwork and respect for nature.

Non-Hazardous Waste Management

Quantity of Non-Hazardous Waste Generated (MT)



Quantity of Non-Hazardous Waste Disposed (MT)



Coverage:
- GPU
- GTR

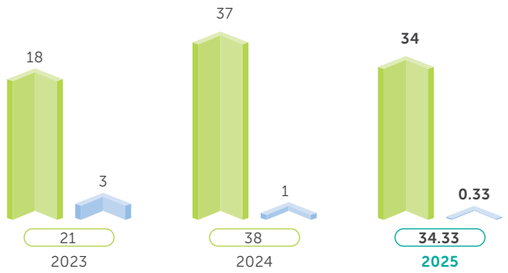
Non-Hazardous Waste Disposed (Non-Recycled) by Disposal Operations (MT)

Type of Disposal Operation	GPU			GTR		
	2023	2024	2025	2023	2024	2025
Incineration with energy recovery	0	0	**0**	0	0	**0**
Incineration without energy recovery	0	0	**0**	0	0	**0**
Secured landfill	413	563	**694**	15	14	**25**
Other disposal operations	0	0	**0**	0	0	**0**

Safeguard the Environment

Waste Management

Non-Hazardous Waste Diverted From Disposal — Waste Recycled (MT)



Coverage:
GPU GTR

Type of Recovery Operation	GPU			GTR		
	2023	2024	2025	2023	2024	2025
Preparation for reuse	0	0	**0**	0	0	**0**
Internal recycling	18	37	**34**	3	1	**0.33**
Other recovery options	0	0	**0**	0	0	**0**

Total of Hazardous Waste and Non-Hazardous Waste (MT)

	2023	2024	2025
Total waste generated	3,272.00	2,504.56	**6,588.99**
Total waste diverted from disposal (4R)	2,104.00	1,799.13	**5,066.77**
Total waste directed to disposal	647.00	710.99	**918.54**

Moving Forward

We will continue to review and enhance our Waste Management Plan to ensure effective waste management and regulatory compliance. We will also strengthen waste reduction, recycling and recovery initiatives across our operations to minimise environmental impact and support responsible resource use.

Safeguard the Environment
Water Management

Why It Matters

The growing scarcity of water resources presents a critical challenge with far-reaching impacts on health, food systems and economic stability. To address this, we continue to strengthen comprehensive water management practices throughout our organisation.

With increasing demand and climate-related pressure on water supply, we are embedding responsible water use strategies into decision-making processes and operational practices. Our initiatives aim to strengthen resource stewardship while supporting resilient infrastructure for future generations.

Our Approach

Delivering Sustainable Water Management

Our Health, Safety and Environment (HSE) Policy provides the framework for water reduction measures across our operations. We remain fully compliant with the PETRONAS Guidelines on Water Practices and the Technical Standard (PTS) for Wastewater and Water Management.

These standards apply across our water management infrastructure, including cooling water, ion exchange, reverse osmosis, electrode ionisation, steam generation and condensate water. In addition, the standards cover handling sludge, treating and discharging wastewater, and implementing comprehensive water recycling practices.

At all GPU sites, we maintain robust water management plans aligned with PTS requirements, incorporating condensate return systems, Brine Reverse Osmosis (BRO) facilities and water recycling frameworks to enhance operational performance and sustainability outcomes.

Safeguard the Environment
Water Management

Managing Water Resources and Consumption

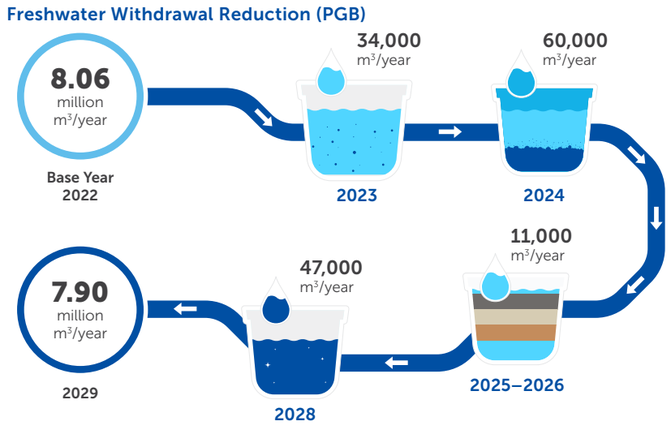
We source the majority of our freshwater from municipal potable water, while adopting strategies to reduce reliance on freshwater wherever possible. In practice, we utilise seawater at both our regasification terminals, RGTSU and RGTP, to heat LNG and convert it back to its gaseous form for commercial distribution.

We also regulate and monitor the temperature of discharged seawater to protect marine ecosystems. Additionally, we avoid water withdrawal for power generation by using electricity supplied by our gas turbines and rooftop solar panels.

Reducing Freshwater Withdrawal: PGB Water Roadmap

We continue to implement deliberate measures to responsibly manage our water resources. The PGB Water Roadmap (2023–2029) outlines our approach to sustainable water management, establishing progressive annual reduction targets for freshwater withdrawal.

With total freshwater withdrawal recorded at 8.06million m³ per year in 2022, we remain committed to gradually reducing this figure to 7.90million m³ per year by 2029, while also targeting a reduction of 43,800m³ per year for freshwater withdrawal in water-stressed regions by 2028.



Note:
The baseline of the PGB Water Roadmap has been rescoped to ensure it accurately encompasses all our operating assets, including our gas processing, utilities, gas transmission and regasification businesses. This change does not affect our interim commitments and targets in reducing our freshwater withdrawals.

Our wastewater management **practices remain rigorous** and **aligned with regulatory requirements**.

Ensuring Water Integrity and Compliance

Our initiatives are aimed at reducing freshwater withdrawal and improving water-use efficiency. We focus on optimising operational processes to enhance the cycle of concentration within the boiler water system, besides identifying and rectifying water and steam leaks within the network. These efforts are supported by our ongoing water-recycling and conservation measures that help manage total consumption.

Our wastewater management practices remain rigorous and aligned with regulatory requirements. This includes monitoring Chemical Oxygen Demand (COD) levels, an indicator of organic pollutants that can deplete oxygen levels in receiving water bodies.

In addition to COD, we monitor temperature, ammonia, free residuals and pH to ensure that all treated wastewater satisfy the Level 3 requirements of the PTS for Wastewater Management and the Standard B limits prescribed under the Environmental Quality (Industrial Effluent) Regulations 2009 (IER 2009).

To mitigate ecological risks that could arise from discharge into enclosed water bodies, we release treated effluent only into open water bodies, such as rivers and marine environments. These receiving waters are monitored regularly in accordance with our Environmental Management Plan (EMP), which incorporates risk assessments to identify and address potential environmental impacts.

Reducing Freshwater Withdrawal Through Strategic Local and Global Initiatives

PGB has implemented measures to minimise freshwater consumption, in alignment with PETRONAS' sustainability commitments and global water stewardship standards:

Local Initiative

Water Initiative Roadmap

- We have developed a comprehensive roadmap comprising multiple initiatives aimed at reducing freshwater withdrawal and overall water usage.
- As of the end of 2025, the projects planned under the roadmap are expected to reduce water consumption by 99,100m³.

Brine Reverse Osmosis (BRO) System Update

- We have refurbished the BRO system at Utilities Kertih (UK), which has significantly improved condensate recovery efficiency and minimised our freshwater consumption.

Global Initiative

Alliance for Water Stewardship (AWS) Framework

- Through PETRONAS' Gebeng Action Plan, we actively promote responsible water use and collective action at the catchment level.
- As part of this programme, we work closely with various external stakeholder groups, including government and regulatory bodies, state-owned and local agencies, industrial facility providers and other relevant stakeholders such as site employees and local communities. These collaborations aim to strengthen water governance, improve shared water security and ensure compliance with international stewardship standards.

Collaboration With External Parties

Category	Stakeholder
Government and Regulatory Bodies	National Water Resource Council (NWRC)
	Suruhanjaya Perkhidmatan Air Negara (SPAN)
	National Water Services Commission
	Department of Environment (DoE) Pahang
	Badan Kawal Selia Air (BKSA) Pahang
	Pengurusan Air Pahang Berhad
	Department of Irrigation and Drainage (DID), Malaysia
State-Owned and Local Agencies	Pahang Water and Energy Resources Sdn Bhd
	Pahang Corporation
	Perbadanan Kemajuan Negeri Pahang (PKNP)
Other Key Stakeholders	Bauxite mines
	Site employees
	Residential communities (Beserah, Kampung Hulu Balok, Balok Perdana, Taman Balok Makmur, Taman Balok Putra)
Companies	Lynas Advance Material Plant
	South Pacific Chemical Industries Sdn Bhd
	RP Chemical (Malaysia) Sdn Bhd
	Cargill Palm Products Sdn Bhd
	Borsig Boiler System Sdn Bhd
	Vibrant Waves Sdn Bhd
	BASF PETRONAS Chemicals Sdn Bhd
	Propane Dehydrogenation (PDH)
	Polyplastics Asia Pacific Sdn Bhd
	Kaneka Malaysia Sdn Bhd

Safeguard the Environment
Water Management

Collaborative Water Management Initiatives

We collaborate with strategic partners and stakeholders to strengthen water management across operations, catchments and water-stressed areas through shared resource strategies and coordinated actions.

Shared Water Streams

- We are exploring opportunities to reuse treated wastewater from other companies operating at the same sites in the Kertih and Gebeng areas.
- Both UK and Utilities Gebeng (UG) have partnered with neighbouring customers, such as INEOS PCG Acetyls Sdn Bhd (IPASB) and PETRONAS Chemicals Ammonia Sdn Bhd (PCASB), to recycle condensate water by repurchasing and reusing condensate from supplied steam, which reduces freshwater withdrawal.
- The purchased condensate is integrated into the system to support utility production and is subsequently supplied back to the customer.

Collaboration Initiatives for Freshwater Source Quality Enhancement

- We actively promote community-based initiatives to improve water quality and support sustainable freshwater management, including mudball activity.
- This initiative introduces eco-friendly mudballs containing beneficial microorganisms into rivers and water bodies to break down organic pollutants, reduce sludge and restore the natural balance of aquatic ecosystems.
- By enhancing upstream water conditions, the activity helps maintain cleaner water sources, reduces the need for extensive freshwater treatment and safeguards catchment health.
- On 23 June 2025, a mudball activity was conducted at Tasik Taman Bandar Kuantan, Pahang, through a joint effort between stakeholders and PGB employees. The programme included environmental awareness briefings, hands-on mudball preparation, the releasing of mudballs into the lake and a lakeside clean-up, reinforcing collective action towards ecosystem restoration, environmental education and community engagement.

Stakeholder Engagement in Water-Stressed Areas

- We actively engage state-level stakeholders to address recurring water supply interruptions affecting Gebeng, Pahang.
- During the reporting period, we conducted a series of in-person engagements with Pengurusan Air Pahang Berhad (PAIP) and Badan Kawal Selia Air Pahang to discuss both short-term mitigation measures and longer-term solutions to manage water supply in the region.
- These engagements support coordinated planning, improve alignment on response measures and contribute to strengthening water supply reliability in a water-stressed catchment.

Our Performance

Reduced freshwater withdrawals by **2,500,000m³** through water reduction initiatives

Improved water intensity for **GP by 7.5%** throughout the year

Achieved full compliance with **zero fines** and recorded zero incidents of non-compliance

Freshwater Withdrawals

In 2025, we recorded a significant decrease in municipal freshwater withdrawals, primarily due to the refurbishment of the BRO unit at UK. The upgraded BRO unit improved condensate recovery and facilitated scheduled plant shutdowns, reducing operational water demand.

Municipal Freshwater Withdrawal[1] by Location (million m³)	2023	2024	2025
GTR	0.63	0.43	**0.14**
GPU	7.63	7.57	**6.93**
Total	8.26	8.00	**7.07**

Water Withdrawal[1] by Source (million m³)	2023	2024	2025
Surface water from rivers, lakes, natural ponds	0	0	**0**
Groundwater from wells, boreholes	0	0	**0**
Used quarry water collected in the quarry	0	0	**0**
Municipal potable water	8.26	8.00	**7.07**
External wastewater	1.95	3.39	**3.13**
Harvested rainwater	0.000254	0.000028	**0.00028**
Seawater, water extracted from the sea or ocean	109	125	**97.31**
Total	119.21	136.39	**107.51**

Note:

[1] Water withdrawal represents the total amount of water withdrawn from surface water or groundwater sources.

Safeguard the Environment
Water Management

Freshwater Intensity

GP Freshwater Intensity (m³/tonne production)	2023	2024	2025
Q1	0.1975	0.2037	**0.2193**
Q2	0.2107	0.1791	**0.2056**
Q3	0.2205	0.2063	**0.2018**
Q4	0.1851	0.1981	**0.2170**
Total Average Per Year	0.2024	0.1968	**0.2109**
Limit/Target	0.2890	0.2890	**0.2890**

UT Freshwater Intensity (m³/tonne production)	2023	2024	2025
Q1	0.4262	0.4588	**0.3789**
Q2	0.4730	0.3769	**0.4556**
Q3	0.4418	0.3946	**0.4535**
Q4	0.4593	0.4752	**0.4557**
Total Average Per Year	0.4503	0.4264	**0.4334**
Limit/Target	0.5200	0.5200	**0.5200**

Water Discharge

Water Discharge by Destination (million m³)	2023	2024	2025
Ocean total discharge	109.00	125.00	**97.36**
Surface water total discharge	4.15	2.99	**2.48**
Subsurface/Well total discharge	0	0	**0**
Off-site water treatment total discharge	0	0	**0**
Beneficial/Other use total discharge	0	0	**0**
Total	113.15	127.99	**99.84**

Water Consumption

In 2025, we achieved a significant reduction in water consumption, driven by two key initiatives. The refurbishment of the BRO unit at UK enhanced the efficiency of condensate recovery, which reduced the reliance on freshwater resources. Additionally, scheduled plant shutdowns at GPK and GPS further contributed to lowering operational water demand during the year.

Water Consumption at All Sites by Source (million m³)	2023	2024	2025
Total	4.168	4.543	4.538

Water Consumption Intensity for Power Generation

Power Generation Water Withdrawal/Consumption Intensity by Source (m³/MWh)	2023	2024	2025
Total	0	0	0

Water Withdrawal and Consumption at Water-Stressed Regions

We maintain proactive water management practices that improve water efficiency at our two assets, the UG operational site and the RGTSU site office, located in water-stressed regions. We continue to pursue strategies to optimise water efficiency, safeguarding our access to clean water.

Costing Category	Cost (RM)	Remarks
Costs associated with water-related risks	0	No expenses were incurred for water purchase or transportation, as there was no recurrence of a water crisis in the area in 2025.
Investment in R&D to mitigate water-related risks	296,995	The investment supported an Environmental Resource Management (ERM) study aimed at developing an action plan for UG. The study focused on site location, water sources and infrastructure, addressing critical challenges such as water availability, quality and system constraints. The key outcomes include recommendations to improve water management through enhanced water use efficiency, rainwater harvesting initiatives and the development of a comprehensive stormwater management plan.

Water Withdrawal/Consumption at Water-Stressed Regions	2023	2024	2025
UG			
Water withdrawal (million m³)	1.238	1.283	**1.306**
Water consumption (million m³)	0.720	0.693	**0.876**
Percentage of water consumption (%)	58	54	**67**
RGTSU			
Water withdrawal (million m³)	0.001	0.002	**0.01**
Water consumption (million m³)	0.000	0.000	**0.000**
Percentage of water consumption (%)	0	0	**0**
Total (million m³)	1.959	1.978	**2.192**

Note:
The percentage of water consumption is calculated based on the amount of water consumed out of the total water withdrawn.

Wastewater Discharge and COD Loading

Wastewater Discharge by Location (m³)	2023	2024	2025
GPK (Sg. Kertih)	38,853.38	48,928.98	**37,293.36**
GPS (Sg. Paka)	32,673.17	48,471.22	**44,193.95**
UK (Sg. Kertih)*	705,232.14	915,532.22	**706,633.34**

Note:
* The wastewater discharge from UK is inclusive of the treated effluent from other plants (customers).

Wastewater COD Loading (tonnes)	2023	2024	2025
GPK	3.32	3.46	**1.66**
GPS	0.98	1.35	**0.88**
UK	25.22	32.24	**21.39**
RGTP	0.00	0.00	**0.00**

Safeguard the Environment
Water Management

Water Conservation Initiatives in 2025

Our facilities across various business segments have implemented tailored water management approaches to align with operational needs and sustainability goals. The execution of strategic initiatives throughout PGB has resulted in a 2,650,000m^3 per year reduction in freshwater withdrawal. This achievement underscores our commitment to conserving natural resources and meeting the water reduction targets set for 2025.

Improving Boiler Efficiency to Reduce Blowdown

- Improved the boiler cycle of concentration from 10 to 35 cycles in UK and UG, reducing boiler blowdown and water consumption.
  - In 2023, UK further increased the cycle of concentration to 40 cycles, achieving an annual water savings of 30,344m^3 across both plants.
  - In 2024, GPK increased its boiler cycle of concentration from 80 to 120 cycles, resulting in water savings of 56,000m^3 per year.
- In 2025, UK further increased the boiler cycle of concentration for the heat recovery steam generator for blowdown from 10 to 60 cycles, resulting in water savings of 2,795.74m^3 across the plant.

Expanding Condensate Recycling Through Customer Collaborations

- Partnered with neighbouring customers to recycle condensate water through UK and UG by repurchasing and reusing condensate from supplied steam.
- In 2025, this initiative delivered 2,515,940.88m^3 of water savings at the UK and UG facilities.

Implementing Rainwater Harvesting

- Integrated rainwater harvesting technology with a storage capacity of 3,000 litres at the GPK Green Scheduled Waste Yard.
- In 2025, a total of 28,800 litres of harvested rainwater was utilised for daily operations.

Detecting and Rectifying Leaks for Water and Steam Savings

- Rectified 28 out of 36 water leaks (78%) and 131 out of 163 steam leaks (80%), reducing water wastage and improving system efficiency.

Upgrading Condensate Recovery Systems to Minimise Freshwater Demand

- Refurbished the BRO system at UK to maximise condensate recovery, achieving an annual reduction of 65,305m^3 in freshwater consumption.

Moving Forward

Looking ahead, our focus will remain on safeguarding asset integrity to optimise water utilisation and minimise wastage. We plan to further strengthen monitoring systems, allocate additional resources for leak rectification and equip employees with proactive leak management skills to achieve an improved rectification rate in 2026. By continuously embracing innovation and setting industry-leading standards, we aim to conserve resources and protect the environment for future generations.

Safeguard the Environment
Biodiversity Management

Why It Matters

A significant share of the planet's biodiversity faces escalating threats from human-driven activities, such as pollution, overexploitation of natural resources, deforestation and other disruptions to natural habitats and ecological balance. As a leading organisation in the energy sector, we recognise the vital need to embed sustainable practices that protect biodiversity and support the long-term resilience of our ecosystems.

Failing to integrate biodiversity considerations into our corporate strategy could lead to operational disruptions, increased regulatory and public scrutiny and significant reputational risks. In alignment with our broader climate commitments, we remain dedicated to conserving biodiversity, focusing on safeguarding endangered species and the ecosystems that sustain them in the regions where we operate.

Our Approach

Reaffirming Our Position on Nature and Biodiversity

We reaffirm our commitment to supporting Malaysia's nature and biodiversity agenda. Our biodiversity management efforts remain fully aligned with the new PETRONAS' Position on Nature and Biodiversity, a cornerstone of the Group's Sustainability Approach.

The Position sets out five key focus areas, each backed by clear commitments to ensure our operations and new business ventures respect, protect and enhance biodiversity and natural ecosystems, in line with global best practices such as The Global Biodiversity Standard and the Convention on Biological Diversity's Global Biodiversity Framework.

Safeguard the Environment
Biodiversity Management

Establishing Voluntary Exclusion Zones

- We recognise the Universal Value[1] of UNESCO World Heritage Sites and commit to not conduct any new operations or projects in these sites.

Managing Nature and Biodiversity Risk

- For new projects in Protected Areas[2] (PAs) and Key Biodiversity Areas (KBAs), we aim to achieve net positive impact on nature and biodiversity and develop Biodiversity Action Plans.
- For our existing sites, we will develop Biodiversity Action Plans for Very High and High Risk sites and establish site-specific inventories of important biodiversity features.

Promoting Nature and Biodiversity Through Partnerships and Collaborations

- We support local nature and biodiversity conservation initiatives to safeguard and enhance ecosystems, habitats and endangered species in Malaysia and/or in countries where we operate.
- We continue to participate in relevant initiatives and partner with credible organisations to leverage global best practices, international frameworks and standards.

Supporting Public Policy that Aims to Protect Nature and Biodiversity

- We support the objectives of the Kunming–Montreal Global Biodiversity Framework and recognise the policies and ambitions on nature and biodiversity in the countries where we operate, including Malaysia's National Policy on Biological Diversity.

Promoting High-Quality Nature-Based Climate Solutions

- Protecting nature and biodiversity is an integral part of nature-based carbon offset strategies for addressing remaining hard-to-abate emissions and delivering PETRONAS' Commitment to NZCE 2050 Pathway.
- Where appropriate, we actively explore and invest in high-quality nature-based climate solutions anchored in reputable, internationally recognised certification standards.

Notes:
1 Outstanding Universal Values means cultural and/or natural significance which is so exceptional so as to transcend national boundaries and to be of common importance for present and future generations of humanity (Source: UNESCO World Heritage Centre – Compendium).
2 Mapping of new projects to PAs and KBAs is conducted via a BES Screening exercise utilising the IBAT.

Biodiversity and Ecosystem Services Assessment

We continue to uphold our commitment to minimising the biodiversity impact of our operations while conserving the benefits provided by surrounding ecosystems.

Our efforts include conducting assessments and utilising recognised tools to evaluate sites, identify biodiversity-related risks and implement effective mitigation measures in line with global best practices.

Inventory for Important Biodiversity Features	An inventory is carried out on an as-needed basis to provide baseline data for future monitoring of Very High-risk and High-risk operations, particularly where gaps in mitigation measures are identified as part of ongoing assessments to evaluate operational footprints and their impacts on nature and biodiversity within the surrounding area.
Biodiversity and Ecosystem Services (BES) Screening for New Operations	Integrating nature and biodiversity into new projects and investments begins with the BES screening process, which is location-specific. The screening is used to determine whether a proposed project or investment is situated within a UNESCO World Heritage Site, a Protected Area (PA) or a Key Biodiversity Area (KBA). In line with the Mitigation Hierarchy, the first priority is to avoid selecting project locations within these sensitive areas. To support this process, the Integrated Biodiversity Assessment Tool (IBAT), a web-based mapping and reporting platform, is utilised to identify potential biodiversity features, including PA, KBA and the presence of species listed on the IUCN Red List. **Integrated Biodiversity Assessment Tool** The IBAT provides access to a centralised global dataset on biodiversity, including information on PAs, KBAs and the IUCN Red List of Threatened Species. This tool allows us to adopt fact-based decision-making to manage biodiversity risks and impacts effectively.
Biodiversity and Ecosystem Services Risk Assessment (BESRA) for Existing Projects	Existing operations shall undergo a BESRA, which involves a three-step process. The first step, risk profiling, is the initial identification of potential BES risks. This step is followed by risk validation, where identified risks are assessed and verified. The final step, risk management, involves developing and implementing measures to address validated risks. BESRA is conducted to identify and assess BES risks in areas where we operate, evaluate potential impacts of operational activities on BES and understand and effectively manage dependencies.
Environmental Impact Assessments (EIAs)	EIAs are central to our commitment to sustainable operations, enabling us to identify, evaluate and manage the ecological consequences of our activities, including impacts on local flora, fauna and ecosystems.
Environmental Aspect and Impact (EAI)	In alignment with the ISO 14001:2015 framework, we adopt an EAI approach to identify and evaluate the environmental risks and opportunities associated with our activities, products and services. Environmental aspects are elements of our operations that interact with the environment, while environmental impacts are the resulting changes, whether adverse or beneficial, to environmental conditions.

Safeguard the Environment
Biodiversity Management

Inventory for Important Biodiversity Features: Understanding the Nature and Biodiversity Ecosystems in the Areas Where We Operate

To monitor ecosystem health and understand changes within the area over time, PGB undertakes periodic inventories with external consultants and academic subject matter experts. In 2010 and 2022, we carried out inventories within the PETRONAS Petroleum Industry Complex (PPIC) operations area, covering our assets, GPK, GPS, TSET and UK facilities, in Kerteh, Terengganu.

These inventories cover key habitats, such as hill forests, coastal sandy beaches, freshwater swamps, man-made lakes, mangroves and the riparian areas of Sungai Kertih. A broad range of flora and fauna groups is assessed, including fish, avifauna (birds), herpetofauna (reptiles and amphibians) and arthropods (insects). The 2022 inventory showcased an overall increase in species groups within and around our facilities.

PPIC Inventory

Category	Methodology	2010	2022
Flora	Transect surveys	190	286
Mammals	Point count (Direct observation)	7	10
Avifauna (Birds)	Point count (Direct observation)	123	122
Fish (Swamp and Man-Made)	Casting, gill nets and interview	17	18
Fish (Sg. Kertih)	Casting, gill nets and interview	9	13
Herpetofauna (Reptiles and Amphibians)	Active searching and direct observation	14	32
Arthropods	Deployment of traps (Pitfall, light trap, pheromone, ovitrap, etc.)	10*	14*

Note:
* The numbers represent orders, not species.

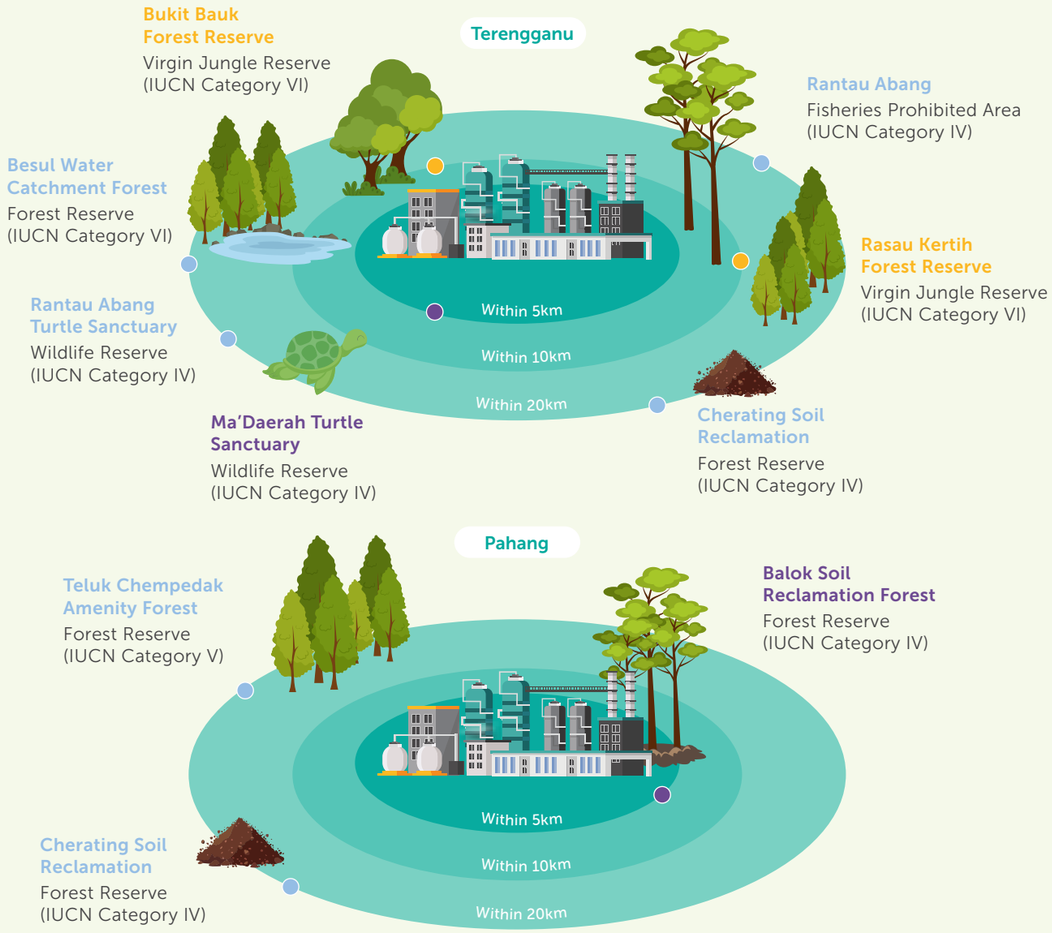
BES Screening: Assessing Biodiversity Sensitivities Across Our Existing Operations

To understand the ecological significance of areas surrounding our operations, we identify and categorise nearby KBAs using the International Union for Conservation of Nature (IUCN) Red List of Threatened Species, the most comprehensive global reference for the conservation status of animals, plants and fungi.

The IUCN also classifies PAs based on their ecological value and management objectives. While Category VI allows for sustainable use of natural resources, Category V emphasises safeguarding the interaction between people and nature, and Category IV focuses on protecting specific species or habitats through active management.

From a BES screening of our Gas Processing and Utilities facilities in Terengganu and Pahang, we have identified several KBAs located within 5km, 10km and 20km of our facilities, as illustrated in the infographic, together with their respective IUCN categories.

Key Biodiversity Areas in Proximity to PGB Gas Processing and Utilities Facilities



Safeguard the Environment
Biodiversity Management

In September 2025, we carried out a BES screening of our pipeline network in Malaysia, covering all existing pipeline assets under our operational control. This included major pipeline segments in Segamat–Pasir Gudang, Sitiawan, Kertih–Kuantan, Gurun, Shah Alam and Seremban.

The screening aimed to provide a spatial overview of how our pipeline network interacts with Malaysia's biodiversity and conservation priorities. It identified areas where pipelines are close to or within protected or key biodiversity zones, offering guidance for future environmental management and compliance.

The screening involved a desktop assessment via IBAT and UNESCO Site Navigator. Following the screening, we highlighted proximity to conservation areas and indicated whether pipelines are close to or within PAs, KBAs and UNESCO World Heritage Sites for each segment.

The screening indicated that none of our operations are located within a UNESCO World Heritage Site. However, the Segamat–Pasir Gudang pipeline route lies within 1km of the Labis Forest Reserve PAs, while the Shah Alam pipeline route is situated in the North Central Selangor Coast, a designated KBA.

BES Screening of PGB Pipeline Network

PGB Pipeline	Pasir Gudang		Shah Alam	
Proximity (km)	**Within**	**1km**	**Within**	**5km**
UNESCO World Heritage Sites (WHS)	None	–	None	–
Protected Areas (PAs)	None	Labis Forest Reserve	None	Paya Indah Wetland Sanctuary
Key Biodiversity Areas (KBAs)	None	–	In North Central Selangor Coast	–

These proximities suggest potential biodiversity sensitivities, highlighting the need for further risk assessment and the implementation of appropriate mitigation measures. In line with the PETRONAS Position on Nature and Biodiversity, these operations are due for BES Risk Profiling in 2026 as part of the periodic BESRA assessment to identify potential BES risks.

Biodiversity and Ecosystem Services Risk Assessment

Risk profiling is a high-level desktop assessment of inherent risk, defined as the natural level of risk prior to mitigation, based on the location and operational activities of PGB operations. The rating below is derived from the BESRA 2022 risk profiling exercise.

PPIC Facilities in Kertih (GPK, GPS, TSET, UK)

Likelihood	Severity	Risk Rating
(C) Possible	(3) Moderate	C3 Medium

Justification

Attributed to the PPIC's scale and complexity and potential impact on vulnerable surrounding ecosystems and communities

UG

Likelihood	Severity	Risk Rating
(C) Possible	(3) Moderate	C3 Medium

Justification

Attributed to UG's proximity to PAs

For existing operations classified as High-risk or Very High-risk assets with identified gaps in risk mitigation, the implementation of a Biodiversity Action Plan (BAP) is mandatory to address and reduce these risks.

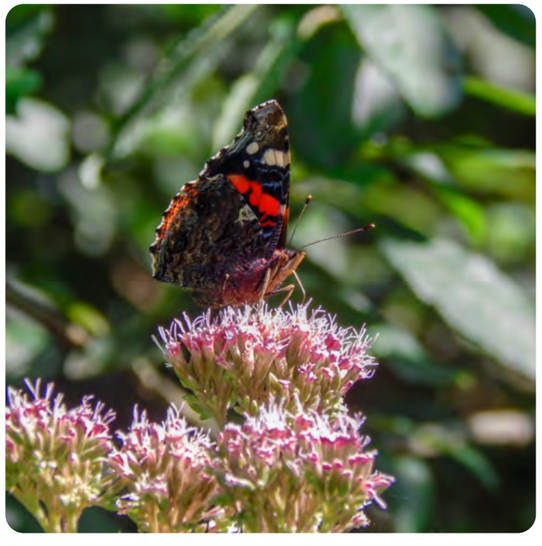
Assets assessed as medium risk or below are considered to have adequate measures in place to minimise potential impacts on nature and biodiversity.

Environmental Impact Assessments: Promoting Responsible Growth

To uphold our commitment to biodiversity while pursuing economic development, EIAs are an essential part of our due diligence for new projects and operations. They allow us to carefully evaluate the ecological consequences of our activities, ensuring that our business practices remain responsible, sustainable and aligned with environmental stewardship.

EIA for Rancha Project

The Rancha Project involves constructing a gas engine power plant to meet a 120MW demand in Labuan, including a natural gas pipeline from PETRONAS Chemicals Marketing (Labuan) Ltd. (PCML) and new 33kV and 132kV transmission lines. The plant's scheduled target Commercial Operation Date (COD) by 2028. The EIA assesses the environmental and ecological impacts of these developments, ensuring the project is executed responsibly, minimises disruption and aligns with sustainable practices.



Impact on Flora and Fauna

The proposed gas engine power plant and the associated 132kV transmission line are located within an area dominated by secondary vegetation, consisting mainly of shrubs, grasses and common tree species. The siting of the power plant will require vegetation clearing of approximately 3.8 hectares. As the vegetation present largely comprises common secondary growth, the anticipated impact on flora is considered minor to moderate, localised and not expected to affect protected or rare species.

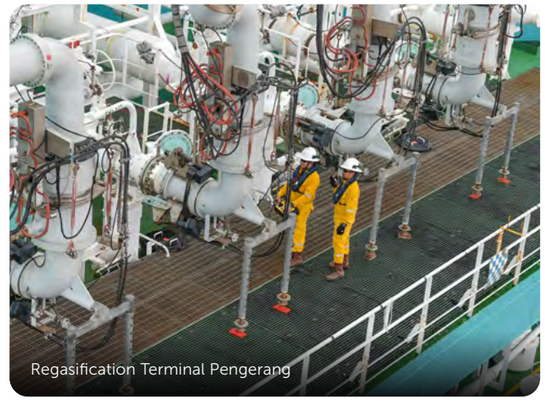
Along the transmission line corridor, vegetation clearing will be minimal due to compliance with Sabah Electricity Sdn. Bhd. (SESB) wayleave conditions, which allow vegetation or crops below two metres in height. Only selective trimming and removal of taller vegetation will be necessary to meet safety clearance requirements. Fauna disturbance in this area is expected to be limited, short-term and primarily associated with noise and movement during construction.

For the natural gas pipeline, the right-of-way (ROW) is predominantly covered with grasses and does not require major site clearing. Disturbance to flora and fauna will be temporary and restricted to the pipeline trenching footprint. As there are no forested areas or sensitive ecological receptors within the pipeline alignment, impacts are expected to be insignificant.

Upon completion of construction works, all disturbed areas will be compacted and re-turfed, allowing natural recolonisation of common plant species and the gradual return of fauna. With appropriate mitigation measures, including controlled clearing, proper waste management and post-construction rehabilitation, the overall impact on flora and fauna is assessed to be low and manageable.

Impact on Socioeconomic Factors

The Rancha Project is expected to influence local socioeconomic factors positively. By prioritising employment opportunities for local residents during the construction and operation phases, the project can help reduce unemployment, increase household incomes and stimulate the local economy. Additionally, establishing mechanisms to manage and address community concerns, such as an internal communication platform, can strengthen community engagement, ensure timely resolution of issues and foster social cohesion.



Regasification Terminal Pengerang

Safeguard the Environment

Biodiversity Management

Our Performance

Biodiversity Protection and Conservation Programmes

We are committed to safeguarding ecosystems through active collaboration with industry partners, NGOs, regulators and local communities. Our biodiversity protection and conservation initiatives demonstrate our dedication to preserving ecosystems and fostering sustainable development.

Flora Conservation-Related Programme

Tree Planting Programme

On 21 September 2025, volunteers planted 25 trees along the shoreline to strengthen coastal resilience and support local ecosystems during the GPU SIM Hatch and Hope programme that was held at Ma'Daerah Turtle Conservation and Information Centre, Kerteh, Terengganu.

Fauna Conservation-Related Programme

Turtle Hatching Release

A total of 100 Green Turtle (Chelonia mydas) hatchlings were released into the sea early in the morning of 21 September 2025 during the GPU SIM Hatch and Hope programme at Ma'Daerah Turtle Conservation and Information Centre, Kerteh, Terengganu. The timing was chosen to ensure the hatchlings' safety and comfort during their initial journey from shore to ocean.

The release also aimed to improve survival rates and highlight the importance of protecting nesting beaches from pollution and human interference. Volunteers and conservationists participated to witness and support the release, reinforcing public awareness of marine conservation.

Corporate Social Responsibility at Zoo Johor

On 6 November 2025, a Corporate Social Responsibility (CSR) activity was conducted at Zoo Johor through a collaboration between the Pasir Gudang Regional Office (PGRO) Team, the PRESO Project Team and local authorities, including the Department of Environment (DoE), Majlis Perbandaran Kemaman (MPK) and Majlis Perbandaran Dungun (MPD). The programme focused on environmental stewardship and community engagement.

The programme supported the zoo's conservation efforts through volunteer activities aimed at enhancing animal habitats, improving cleanliness and raising awareness of wildlife conservation. This initiative strengthened partnerships with local stakeholders while fostering a sense of responsibility among employees towards biodiversity protection and sustainable environmental practices.

Water Body Conservation Programme

To support the protection and rehabilitation of coastal, riverine and freshwater ecosystems, we implement focused initiatives that reduce pollution, restore habitats and promote environmental stewardship, including the EcoCoast Beach Cleaning, the Beach and Turtle Conservation Area Clean-Up and the Teratai Lake Park Rehabilitation Programme at the Segamat Operations Centre (SOC) perimeter. Details of these initiatives are outlined below:

EcoCoast Beach Cleaning

PGB led the EcoCoast Beach Cleaning initiative in collaboration with East Coast KIPC members to safeguard the environment and promote responsible sustainability. On 11 October 2025, the programme was carried out simultaneously at three different locations, namely Pantai Petak Paka, Pantai Kuala Kerteh and Pantai Tampin Kemasik, covering a stretch of approximately 5.6km in support of PETRONAS' commitment to FTSE4Good principles. The initiative collected a total of 1.77tonnes of waste across the sites: Paka – 0.31tonnes, Kerteh – 0.84tonnes and Kemasik – 0.62tonnes.

A total of 750 participants registered for the programme, including PETRONAS employees from GPU-PGB, PCG and PMA, the DoE, the Tourism EXCO, local representatives of Paka and Kemasik and the Municipal Offices of Kemaman and Dungun, as well as students from SMK Rantau, SMK Kerteh, SMK Paka and members of the public.

In addition to the beach cleaning activities, the principles of Reduce, Reuse and Recycle were highlighted through communication and promotional materials, ensuring that these messages were effectively conveyed to participants. The initiative also served as a platform for engagement with key stakeholders and partners, demonstrating collaborative efforts that extend beyond the workplace and reflect a shared responsibility to conserve nature for future generations.

Beach and Turtle Conservation Area Clean-Up

In conjunction with the GPU SIM Hatch and Hope programme, a clean-up initiative was carried out at the turtle conservation and nearby beach areas to support the preservation of sea turtle habitats. The activity focused on maintaining suitable nesting conditions through beach clean-up and basic site care activities.

Volunteers removed waste and debris from identified nesting areas, helping to reduce potential hazards to turtles and hatchlings and support a cleaner coastal environment. The initiative also provided an opportunity to reinforce awareness of marine conservation and responsible behaviour in sensitive coastal ecosystems.

Revive the Lake: Mudball Initiative Programme at GTR Assets

The Kuantan Regional Operations Office organised the Revive the Lake: Mudball Initiative Programme in collaboration with ECO Care, the Pahang Department of Irrigation and Drainage, the Pahang Department of Environment and representatives of PETRONAS staff in the Kuantan district. This programme was held on 23 June 2025 at Taman Bandar Kuantan Lake, Indera Mahkota, with the aim of raising awareness about river and lake conservations. Approximately 200 mudballs were deployed to purify the lake as a sustainable alternative to chemical water treatments, focusing on long-term ecological balance.

This initiative has been replicated by our Segamat Operation Centre at Taman Tasik Teratai, coupled with other activities, such as used cooking oil collection for recycling, plogging and tree planting in the park area.

Moving Forward

In line with our broader climate and sustainability objectives, we are committed to strengthening our biodiversity efforts to protect ecosystems and species in areas where we operate. Our approach will continue to be guided by the new PETRONAS' Position on Nature and Biodiversity, supported by enhanced biodiversity risk assessments and the progressive development of targeted action plans and conservation initiatives to manage risks, mitigate impacts and deliver positive outcomes for nature.

Positive Social Impact

We strive to create long-term value for our business and society by advancing the well-being and growth of our employees, suppliers and communities. We maintain our focus on upholding rigorous health and safety standards while continuously building workforce capabilities to support sustainability and business growth. In parallel, our enhanced oversight of human rights and ethical practices across our supply chain is supported by the PETRONAS Supplier Support Programme (PSSP), which strengthens sustainability practices and business resilience among our vendors.

UN SDGs that are key to us:

Pengerang Air Separation Unit

Why It Matters

Upholding human rights is both an ethical obligation and a business imperative for PGB. Our operations involve national infrastructure, a diverse workforce, extensive contractor engagement and assets located within or near public spaces, which inherently place us under heightened scrutiny from regulators, investors, communities and the broader public.

Respecting human rights underpins our social licence to operate and our ability to sustain long-term value. Any failure to manage human rights risks may result in harm to individuals, disruption to operations, loss of stakeholder trust and adverse regulatory or contractual outcomes. These risks are amplified by our reliance on contractors and service providers, where human rights lapses can occur beyond direct operational control. To ensure that human rights are addressed with appropriate oversight and accountability, governance is anchored at the Board level. This structure places responsibility for human rights under the highest authority, reinforcing their strategic importance to PGB and setting a clear tone from the top. In addition, day-to-day roles, responsibilities and resourcing across relevant functions are defined by the PGB Human Rights Policy, enabling consistent and effective implementation across operations.

By embedding human rights considerations into our governance, operational controls and supply chain management, we strengthen workforce well-being, protect community interests and reinforce investor confidence. A robust human rights framework supports operational continuity, safeguards our reputation and enables us to meet expectations of both public stakeholders and capital markets in a disciplined and transparent manner.

Our Approach

Comprehensive Policies

Our approach focuses on preventing human rights breaches, managing exposure arising from contractor engagement and ensuring consistent application across all operations.

Our human rights framework is supported by key internal instruments, including the Code of Conduct and Business Ethics (CoBE), which sets out standards of workplace conduct and ethical behaviour applicable to all employees and third parties acting for or on behalf of PGB, and the Human Rights Policy.

CoBE — Workplace Culture and Environment

The CoBE outlines clear standards for workplace culture and conduct. It applies to all employees and third parties carrying out work for or on behalf of PGB and is actively communicated to stakeholders, including business partners, through regular engagement sessions to ensure alignment with our ethical expectations.

The CoBE addresses a broad spectrum of workplace culture and environment standards that support a respectful, inclusive and safe working environment. These standards cover, among others:

- Safe, secure and conducive workplace environments
- Unlawful discrimination
- Occupational health, safety and the environment
- Sustainable development
- Substance misuse (drug and alcohol abuse)

Workplace Culture and Environment

- Dress code
- Borrowing money
- Sexual harassment
- Workplace bullying and harassment
- Non-business workplace relationships
- Human rights

Positive Social Impact
Human Rights

PGB Human Rights Policy

In 2025, PGB strengthened its governance of human rights through the establishment of the PGB Human Rights Policy, which was signed off by PGB's CEO on 7 July 2025. The policy is aligned with internationally recognised benchmarks, including the International Bill of Human Rights, the United Nations Guiding Principles (UNGPs) on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the Fundamental Principles of the International Labour Organization (ILO). The policy applies a risk-based approach to human rights due diligence to identify, prevent, mitigate and address actual and potential adverse human rights impacts arising from PGB's operations, products and services.

The policy is anchored on three key principles that guide implementation across the organisation:
- Respect and acknowledgement of internationally recognised human rights
- Adoption of a risk-based approach to human rights due diligence
- Access to effective grievance mechanisms and remedies

In applying this risk-based approach, the policy identifies areas of material importance relevant to PGB's operations. These include labour and working conditions, supply chain practices, community well-being and responsible security. These areas inform how PGB prioritises human rights risks and integrates human rights considerations into operational controls and decision-making processes.

PGB applies international frameworks, internal policies and technical standards that guide how human rights considerations are embedded into its governance, risk management and daily operations. These instruments support consistent implementation across the organisation while ensuring alignment with recognised international principles and adopted Group technical requirements.

Human Rights Instruments Applied

External Human Rights Instruments

- United Nations Guiding Principles on Business and Human Rights (UNGP)
- Fundamental Principles of the International Labour Organization
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- International Bill of Human Rights

Guidelines

- PETRONAS Technical Guideline on Human Rights Due Diligence
- PETRONAS Technical Guideline on Indigenous Peoples Assessment
- PETRONAS Technical Guideline on Cultural Heritage Assessment
- PETRONAS Technical Guideline on Land Acquisition and Involuntary Resettlement

Internal Human Rights Instruments

- PGB Human Rights Policy
- Code of Conduct and Business Ethics (CoBE)
- Health, Safety and Environment (HSE) Policy
- Anti-Bribery and Corruption (ABC) Manual
- Contractors' Code of Conduct on Human Rights (CoCHR)

Standards

- Technical Standard on Social Risk Assessment
- Technical Standard on Grievance Mechanism
- PETRONAS Security Management System

Contractors' Code of Conduct on Human Rights

PGB enhances human rights oversight across its supply chain through the Contractors' Code of Conduct on Human Rights (CoCHR). The CoCHR applies to all licensed and/or registered PETRONAS contractors performing work or services for or on behalf of PGB. Contractors are required to ensure that any parties performing work and/or business on PGB's behalf, including subcontractors, adhere to the requirements set out in the CoCHR.

Contractors are also responsible for establishing appropriate controls to manage human rights risks. To ensure adherence to CoCHR, contractors are engaged on human rights issues through a pre-mobilisation assurance process to confirm understanding of human rights expectations before commencing work at PGB worksites. Compliance is monitored through periodic reviews and ongoing engagement, with identified gaps addressed through remediation and capability-building measures. Where non-compliance persists, escalation actions may be taken, including suspension or termination of contracts in accordance with contractual provisions.

5 Human Rights Key Guiding Principles and 10 CoCHR Requirements

Respect and acknowledgement of internationally recognised human rights 1	1. Respect internationally recognised human rights standards, complying with the PETRONAS CoBE and relevant legal requirements. 2. Take reasonable steps to ensure that policies and guidelines related to human rights are in place and adhered to. 3. Sign an attestation confirming compliance with the CoCHR.
Risk-based approach to human rights due diligence 2	4. Identify, mitigate and address human rights risks, at a minimum material human rights risk. 5. Provide human rights awareness training.
Access to effective grievance mechanisms and remedies 3	6. Establish a grievance mechanism with appropriate follow-up measures. 7. Systematically close actual or potential adverse human rights impacts through time-bound corrective action plans. 8. Provide access to remedies and cooperate in the resolution process. 9. Take reasonable steps to embed safeguards for human rights in supply chain processes; ensure appropriate governance frameworks are applied to non-compliant high-risk contractors and subcontractors.
Appropriate governance for human rights policy and its processes Groupwide 4	
Commitment to Groupwide disclosures and reporting 5	10. Provide timely feedback to PETRONAS regarding human rights performance.

Positive Social Impact
Human Rights

In line with the CoCHR, PGB identifies and defines key human rights risks that contractors are required to manage and mitigate when performing work or services for or on behalf of PGB. These risks represent areas of heightened exposure within contractor operations and form the basis for oversight, assurance and corrective action.

PGB's material human rights risks applicable to contractors include:

Forced Labour

Contractors must not engage or employ any person under circumstances that involve coercion, bonded labour or debt slavery, or any form of work carried out against an individual's free will.

Child Labour

Contractors must not employ children below the legal minimum working age applicable in the country of operation.

Labour Rights

Contractors are required to uphold the rights and welfare of employees, workers and contract personnel, both local and foreign, in accordance with applicable laws and agreements governing compensation and working conditions. This includes compliance with minimum wage requirements, overtime pay, legally mandated benefits and limits on working hours. Contractors must also respect local laws or collective agreements governing overtime and holiday work and ensure fair compensation for labour.

Commitment to Non-Discrimination

Contractors must not engage in any form of unlawful discrimination in hiring or employment practices based on race, ethnicity, colour, age, gender, gender identity or expression, sexual orientation, political beliefs, citizenship, national origin, religion, disability, parental status, economic or class status or any other unrelated characteristic.

Freedom of Association

Contractors must respect the legal rights of employees, workers and contract personnel to form, join or refrain from joining labour unions or other representative bodies, in accordance with applicable laws.

Humane Treatment

Contractors must ensure that employees, workers and contract personnel are treated with dignity and respect and are not subjected to harsh or inhumane treatment, including mental or physical coercion or verbal abuse.

Regasification Sungai Udang

Proactively Assessing Human Rights Impacts

Human rights risk management is integrated into PGB's impact assessments within its core business processes. This supports the early identification, evaluation and mitigation of human rights risks across operations and projects. Social Risk Assessments (SRA) are undertaken every five years or as required to ensure continued alignment with our human rights commitments.

The most recent SRA cycle covered GPU in 2021 and GTR assets between November 2024 and March 2025. The assessments identified salient and business-specific human rights risks across labour practices, contractor management and surrounding community impacts. Where gaps were identified, targeted corrective actions were implemented to address the identified risks. Among the findings was a non-compliance by a supplier involving an incorrect EPF contribution payment, which was immediately rectified.

Stakeholder engagement is a key input to the assessment process. Engagement with employees, contractors, local communities and relevant authorities, supports a clearer understanding of evolving human rights expectations and operational impacts. To strengthen shared understanding of safety, security and emergency response arrangements, workshops and awareness programmes are conducted with the Royal Malaysia Police (PDRM), Fire and Rescue Department (BOMBA), Department of Environment (DoE) and other agencies. In addition, the dissemination of non-confidential plant information documents helps stakeholders better understand collaborative efforts in managing security, third-party access and emergency responses. Feedback from these engagements enables the Group to address concerns, strengthen preparedness measures and provide assurance to stakeholders regarding the safety and reliability of operations.

Management of Salient Business Human Rights Issues

The identification and management of salient human rights issues form a core part of PGB's approach to safeguarding its social licence to operate. While the most recent SRA did not identify any significant human rights issues during the year under review, we recognise that the responsible management of the following human rights topics remains integral to managing potential risks and sustaining long-term value across our operations and value chain.

Ensuring Equal and Fair Working Hours

PGB manages employee working hours in compliance with the Employment Act 1955 and its 2022 Amendment, which sets out requirements relating to working hours and overtime. Under the Amendment, the maximum weekly working hours were reduced from 48 hours to 45 hours, with any work performed beyond 45 hours per week eligible for overtime pay, subject to a total overtime limit of 104 hours per month.

To support consistent and fair application across the organisation, compliance with working hour requirements is embedded within key policy documents. The Collective Agreement between PETRONAS and the In-House Unions governs the treatment of non-executive employees, while the Flexible Work Options document provides guidance applicable to all employees.

In practice, PGB applies working hour limits that are below the regulatory maximum. Maximum working hours range between 39 and 42 hours per week, depending on employee category. Under the Collective Agreement, shift employees and regular offshore employees work an average of 42 hours per week, while other employees work 39 hours per week, in line with the Flexible Work Options for non-shift schedules.

Upholding Children's Rights and Prohibiting Forced or Compulsory Labour

In alignment with the standards outlined in PGB's CoBE Part III: Workplace Culture and Environment, Section 11: Human Rights, we remain resolute in preserving the rights of children and preventing child labour and all forms of forced or compulsory labour across our operations. This is done through the establishment and implementation of the PGB Human Rights Policy and the application of a risk-based approach through SRA.

Our stance against forced and child labour is communicated through contractual provisions applicable to contractors and suppliers, including requirements set out in the CoCHR. The provisions also encompass adherence to international standards on child and forced labour. PGB retains the authority to take appropriate action where potential violations are identified in its supply chain.

During the year under review, there were no actual incidents involving child labour, young workers in hazardous conditions or forced or compulsory labour in PGB's operation and supply chain.

Protecting the Rights of Indigenous Peoples

Across PGB's projects and operations, we adhere to established policies and procedures that govern our engagements with indigenous peoples, ensuring that their rights, concerns and expectations are appropriately addressed. Our approach focuses on identifying, avoiding, minimising and mitigating potential impacts on indigenous communities, including impacts on livelihoods, cultural heritage and the surrounding environment. We also provide access to culturally appropriate grievance mechanisms by appointing Community Liaison Officers or Stakeholder Engagement personnel. Where relevant, we seek to deliver development benefits, including access to employment and economic opportunities.

During the year under review, there were no incidents involving violations of the rights of indigenous peoples recorded. This included the absence of legal actions or complaints related to the impacts of our employees' practices or the effects of our existing or planned activities on indigenous communities.

Supporting Freedom of Association and Collective Bargaining

The Kesatuan Kakitangan Petroleum Nasional Berhad (KAPENAS) has served as the recognised union representing PGB's non-executive employees since its establishment in 1983, providing a formal platform for employees to exercise their right to freedom of association. The union comprises representatives from each of PGB's assets and facilitates collective bargaining processes with management every three years.

In 2025, 16 engagement sessions were conducted between KAPENAS and management to address union-related matters, resolving matters related to technicians' duties as approving authorities for permits to work. Following these engagements, the collective agreement was amended to reflect the agreed positions between PETRONAS and KAPENAS.

Positive Social Impact
Human Rights

Dedicated Grievance Mechanism for Human Rights

PGB maintains a dedicated grievance mechanism to enable employees, contractors, communities and other affected stakeholders to raise concerns related to human rights impacts arising from our operations and activities. The mechanism is designed to be accessible, confidential and consistent with recognised human rights principles and supports the identification, escalation and resolution of grievances in a timely and appropriate manner.

Key Human Rights Elements Covered by the Grievance Mechanism

PGB's grievance mechanism covers a broad range of human rights elements relevant to our operations, including:

Labour and Working Conditions

- Forced and trafficked labour in contractors' and subcontractors' workforce
- Child labour
- Conditions of employment and work
- Discrimination in hiring and contractual terms
- Freedom of association and collective bargaining
- Workers' health and safety
- Workers' camp conditions

Responsible Security

- Use of force and conduct of third-party security
- Provision of human rights training for staff and third-party security

Community Well-Being

- Community health and safety
- Access to natural resources needs and livelihood
- Land acquisition and involuntary resettlement with/without economic displacement
- Indigenous peoples
- In-migration

Supply Chain Management

- Contractor/supplier performance related to forced labour, child labour, labour rights, non-discrimination, freedom of association and humane treatment.

Segamat Operation Centre

Dedicated Personnel, Committees and Processes to Manage Grievances

To manage human rights-related grievances effectively and equitably, PGB has established a structured framework comprising dedicated roles, committees and processes.

Community Liaison Officer (CLO) or Grievance Focal (GF)	• Develops and manages the grievance mechanism procedure • Establishes and maintains the grievance database/system • Analyses, monitors and reports the performance of the grievance mechanism • Handles communications with complainant/aggrieved party/grievant in managing grievances • Conducts screening and initial assessment of the legitimacy of grievances • Promotes grievance resolution to complainant
Grievance Mechanism Custodian	• Appoints dedicated GF/CLO • Oversees the overall development and management of the grievance mechanism procedure • Assigns Issue Owner • Chairs the Grievance Resolution/Appeal Committee (on site) • Appoints third-party mediators or collaborators, if required • Escalates the grievance to a higher level, if required • Approves reports for internal and external reporting
Grievance Resolution Committee or Grievance Appeal Committee	• Sets grievance monitoring/tracking as a fixed agenda for HSE Committee meetings • Analyses grievances and deliberates options for resolution; ensures no conflict of interest • Deliberates on appeal cases • Approves resolution • Ensures and oversees implementation of resolution or escalates the grievances (when necessary) • Signs off case closure
Issue Owner	• Forms and leads grievance investigation team • Recommends options for resolutions to committee based on investigation findings • Implements and follows up where relevant on action items once the resolution has been approved by the Grievance Resolution Committee • Supports the CLO/GF in the dialogue or engagement with the complainant/aggrieved party/grievant to achieve resolution

Grievance Reporting Process Flow

PGB applies a structured grievance reporting process to ensure that grievances are received, assessed, investigated and resolved in a timely and consistent manner. The process provides clear accountability for each stage of grievance handling and supports early intervention to prevent minor grievances from escalating into more significant issues.

Receive / **Acknowledge**	24 Hours
Assess and Assign	One Week
Investigate / **Resolve**	One month (estimated) or as appropriately agreed, based on the complexity of the complaint by: • Issue Owner • Asset Leadership Team (LT) • PGB LT • HSSE Committee • Division LT
Follow Up and Close Out	Monthly

Positive Social Impact
Human Rights

To maintain the effectiveness of the grievance mechanism, PGB implements a First Line Assurance process, which involves a designated focal person conducting quarterly assessments to assess whether the grievance mechanism is operating as intended. This assurance process supports continuous monitoring of compliance with established procedures and identifies areas for improvement, where applicable.

Relevant information on PGB's grievance mechanism is communicated through multiple channels to ensure accessibility for employees, contractors and affected stakeholders. These include brochures, posters and helplines, as well as engagement platforms such as Control of Industrial Major Accident Hazards engagements and townhall sessions, which provide opportunities to raise awareness and reinforce understanding of grievance reporting channels.

In 2025, PGB introduced the mygrievance application, an additional digital platform for submitting and tracking grievances.

In line with its commitment to upholding human rights, PGB will take appropriate actions and provide remedies to affected parties if it is found to have contributed to grievances related to human rights.

Leveraging Whistleblowing Channels to Embrace Human Rights

PGB's commitment to human rights includes fostering a workplace environment where concerns can be raised without fear of retaliation. We adopt the PETRONAS Whistleblowing Policy, which provides a formal and transparent framework to report suspected misconduct and unethical behaviour.

The policy, together with its whistleblowing channels, offers a secure platform for employees and members of the public to report improper conduct within PGB. This includes, but is not limited to:

- Workplace bullying
- Sexual harassment
- Fraud
- Abuse of power
- Conflicts of interest
- Misuse of company property
- Bribery
- Theft or embezzlement
- Non-compliance with procedures

Thorough and Confidential Investigation

Reports of grievances may be submitted through the PETRONAS WhistleNOW platform. All complaints received are handled with due care and confidentiality and are managed through the following established governance structure.

Whistleblowing Secretariat

The Whistleblowing Secretariat (WBS) is responsible for the registration, monitoring and reporting of complaints. It conducts a preliminary assessment and presents its findings to the Whistleblowing Committee. The WBS ensures that each complaint receives appropriate attention and is pursued until closure.

Whistleblowing Committee

The Whistleblowing Committee (WBC) evaluates the preliminary assessment and appoints an Investigation Party to conduct a detailed investigation. The WBC reviews investigation outcomes, deliberates on findings and determines the appropriate course of action to ensure accountability for any substantiated misconduct.

Investigation Party

The Investigation Party conducts a thorough and independent investigation of the complaint. The investigation process is designed to enable a fair and objective evaluation of facts for the WBC's consideration.

PETRONAS provides a secure and confidential whistleblowing channel through a platform powered by Whispli. The platform is designed to protect the identity of complainants and support the responsible reporting of concerns in a safe and controlled manner.

The platform safeguards confidentiality through the following features:

- Complainants are given the option to submit reports anonymously.
- No potentially identifying information, including IP addresses or personal data, is transmitted or disclosed to PETRONAS.
- Robust data protection and information security controls are in place to safeguard confidentiality.
- Complainants retain control over the nature and extent of the information disclosed.

PGB's whistleblowing process aims to provide assurance to individuals who raise concerns in good faith through safeguards on anonymity, to the extent reasonably practicable, and protection from retaliation. These safeguards remain in place even where subsequent investigations determine that the concern was based on an incorrect understanding of the facts or applicable procedures.

To support the effective handling of whistleblowing cases, including matters related to bullying or harassment, PGB continues to strengthen organisational awareness and capability. In 2025, a total of 216 line managers, comprising 152 managers and 64 senior managers, attended the Industrial Relations for Leaders programme. In addition, 1,681 employees completed the CoBE e-learning module, reinforcing understanding of ethical conduct, reporting obligations and appropriate workplace behaviour.

Stakeholder Engagements on Human Rights Issues

PGB engages with employees and contractors to provide awareness of human rights responsibilities and to promote open dialogue on human rights-related matters within the organisation. These engagements support understanding of our policies, grievance channels and expected standards of conduct, while providing opportunities to identify areas for continuous improvement.

Communication and Training on Human Rights for Employees

All PETRONAS staff are required to attend CoBE training during their onboarding phase. 88 newly hired staff completed CoBE learning in 2025.

Formal Human Rights Training for Security Personnel

PGB ensures that security personnel engaged at its facilities receive formal training on human rights and appropriate security practices. This training is designed to reinforce ethical conduct, respect for human rights and the responsible application of security procedures in the course of duty.

In 2025, a total of 23 personnel from the PETRONAS Auxiliary Police participated in specialised human rights-related training, which was enhanced to include the following key areas:

- Recruitment and deployment of security officers
- Use of force, including proportionality and necessity
- Use and handling of firearms
- Human rights principles applicable to security operations


Utilities Kertih

While there was no specific training involving law enforcement activities, the training held on 21 May 2025 served as a preventive and capacity-building measure to ensure that security personnel are equipped to manage security-related situations in a manner that respects human rights and complies with applicable standards.

Leveraging Digital Tools to Enhance Oversight

PGB leverages digital systems to strengthen oversight of contractor and workforce compliance with human rights requirements and applicable labour standards.

Express Registration for External Service Supplier

The Express Registration for External Service Supplier (XPRESS) system is used to verify contractors and their employees prior to site access and engagement, ensuring compliance with PGB's prohibition on employing underage children and using forced labour.

Contractual clauses require compliance with the CoCHR and relevant labour laws. For PGB employees, hiring processes are managed through Human Resource Management (HRM) systems and employees are required to attend the CoBE training to ensure compliance with human rights standards.

Positive Social Impact
Human Rights

Fatigue Management System

The Fatigue Management System (FMS) tracks and monitors hours worked by PGB employees and contractors to ensure adherence to defined Hours-of-Service Limits. Individuals who exceed the allowable limits are restricted from accessing the workplace.

The FMS operates in alignment with applicable legal and recognised industry standards, including:

International Standards/ Guidelines/ Publications	• Fatigue Risk Management Systems for Personnel in the Refining and Petrochemical Industries – ANSI/API Recommended Practice 755; Second Edition, May 2019 • IOGP-IPIECA Managing Fatigue in the Workplace – A Guide for the Oil and Gas Industry – IOGP Report 626; 2019 • IOGP-IPIECA Assessing Risks From Operator Fatigue – Guidance Document for the Oil and Gas Industry 2014 • IOGP-IPIECA Performance Indicators for Fatigue Risk Management Systems – Guidance Document for Oil and Gas Industry – IOGP-IPIECA Health Committee, 2012 • Maritime Labour Convention 2006 • OIM (Offshore Installation Manager) Guidance for Offshore Rota and Rest Periods, Rev. 2 Apr 2021 • International Labour Organization (ILO) Hours of Work (Industry) Convention, 1919
Malaysian Acts/ Regulations/ Standards/ Guidelines/ Publications	• Occupational Safety and Health (Amendment) Act 2022 • Employment (Amendment) Act 2022 • Occupational Safety and Health Industry Code of Practice for Road Transport Activities 2010 (Malaysia) • Buku Panduan dan Kod Amalan Industri S.P.A.D. – Keselamatan Untuk Pengendali Berlesen Perkhidmatan Kenderaan Barangan

Our Performance

Human Rights and Labour Violations

In 2025, PGB did not receive any substantiated reports of violations of human rights and labour standards. While grievances related to workplace misconduct were raised by employees and contractors, these incidents were not classified as human rights violations and were resolved through established internal processes. Taking this into consideration, PGB continued to review and enhance its human rights practices through internal gap assessments, which informed improvements to grievance processes and reinforced related internal controls.

		2021	2024	2025
Human Rights Violations	Ongoing	0	0	**0**
	Closed	0	0	**0**
	Total	0	0	**0**
Labour Standards Violations	Ongoing	0	0	**0**
	Closed	0	0	**0**
	Total	0	0	**0**

Note:
2024 data has been restated from one to zero based on the definition of workplace misconduct described above.

Moving Forward

Moving forward, we will strengthen our human rights due diligence by enhancing risk assessments, grievance mechanisms and awareness across our operations and supply chain. Through enhanced policies and procedures, continued engagement and capacity building, we aim to uphold the rights, dignity and well-being of our employees, contractors and communities.

Positive Social Impact
Equal Opportunity, Diversity and Inclusion

Why It Matters

Fostering an inclusive and diverse workplace heightens PGB's ability to deliver sustainable growth. A workforce that brings together varied perspectives, experiences and backgrounds drives innovation, enhances decision-making and enables more effective execution of our strategic objectives.

An environment that upholds equal opportunity also contributes to higher employee engagement and performance by ensuring individuals feel respected, supported and empowered to contribute meaningfully. This reinforces our position as an employer of choice and supports our ability to attract, develop and retain talent in a competitive operating landscape.

Our Approach

Stringent Policy to Foster Non-Discriminatory Practices

At PGB, we uphold a zero-tolerance stance against discrimination in the workplace or during the hiring process. Our practices comply with Malaysian laws and recognised international standards, which are further strengthened through the PETRONAS Code of Conduct and Business Ethics (CoBE).

Aligned with the PETRONAS CoBE, we ensure that no individual is subjected to discrimination in employment or hiring decisions. This includes discrimination based on any characteristic unrelated to the individual's merit or the requirements of the job.

Upholding Competitive Merit-Based Remuneration Programmes

PGB fosters a high-performance culture through merit-based remuneration and reward programmes that recognise individual contributions and performance. Our rewards framework is designed to attract, retain and motivate a diverse talent pool while supporting an inclusive and enabling work environment.

The framework is structured around three core pillars that guide how rewards are determined and administered across the organisation:

Adaptable Rewards

Ensuring rewards are aligned with business goals and adapted accordingly to changes in our business outlook or strategies

Equitable Rewards

Providing rewards that are commensurate with individual accountabilities, competencies and performance

Sustainable Rewards

Offering market-competitive rewards that cater to the diverse needs of our workforce while adhering to statutory requirements

Positive Social Impact
Equal Opportunity, Diversity and Inclusion

Providing Equal Access to Policy Documents

PGB prioritises appropriate access to its policy and governance documents, including the CoBE, to ensure that all employees can understand and apply relevant guidelines and procedures. These documents are available via PGB's intranet in both English and Bahasa Melayu, the two languages widely used by PGB's employees, to promote consistent understanding across our workforce.

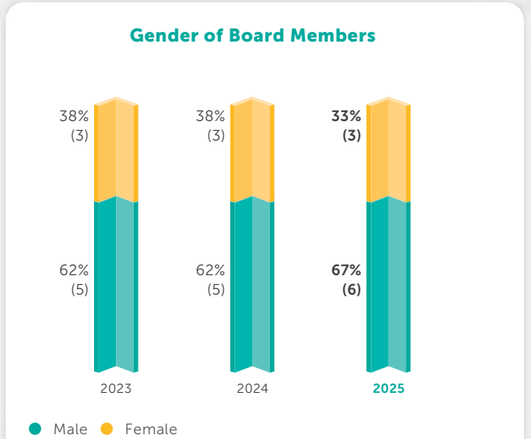
Raising employee awareness, addressing unconscious biases
and promoting inclusive behaviours in the workplace

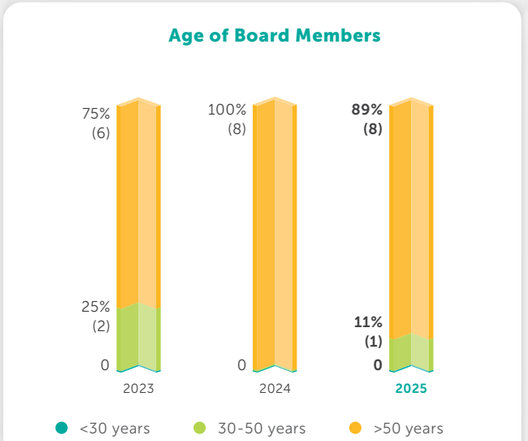
Promoting Diversity and Inclusion Among Leaders and Employees

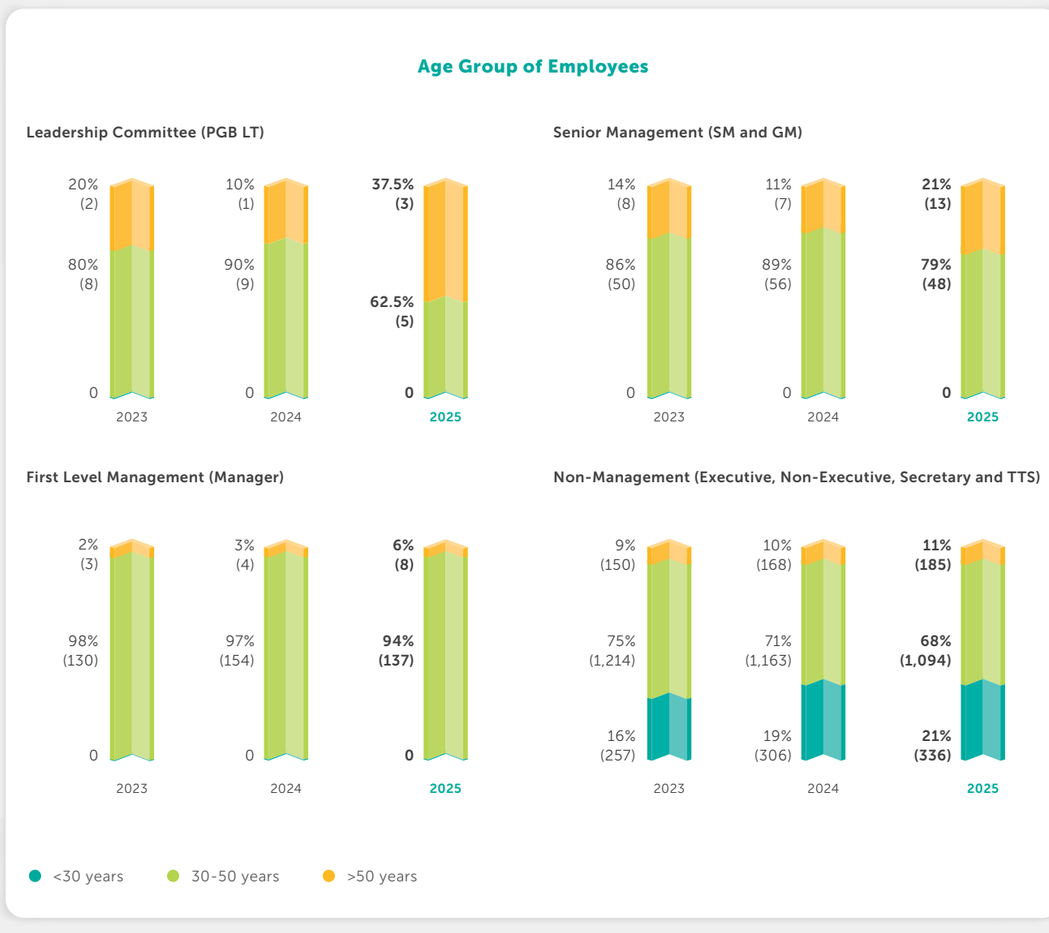
We acknowledge the need to raise employee awareness of the value of diverse perspectives and backgrounds, while addressing unconscious biases that deter inclusivity and equal opportunity.

In 2025, we continued implementing the Conscious Inclusion Programme for General Managers and members of the People Development Committee. Aligned with PETRONAS' Diversity and Inclusion (D&I) programme, the day-long seminar comprises two modules, Being Inclusive and Leading Inclusive Teams, which aim to promote awareness and foster meaningful action among leaders to uphold D&I principles at the workplace. The interactive session provides leaders with the necessary tools to create a more inclusive work environment, empowering them to drive D&I within their teams. This includes mitigating potential biases in their daily interactions and communicating key messages to their respective teams, thereby enabling inclusion and diversity to thrive in PGB.


Gas Processing Santong





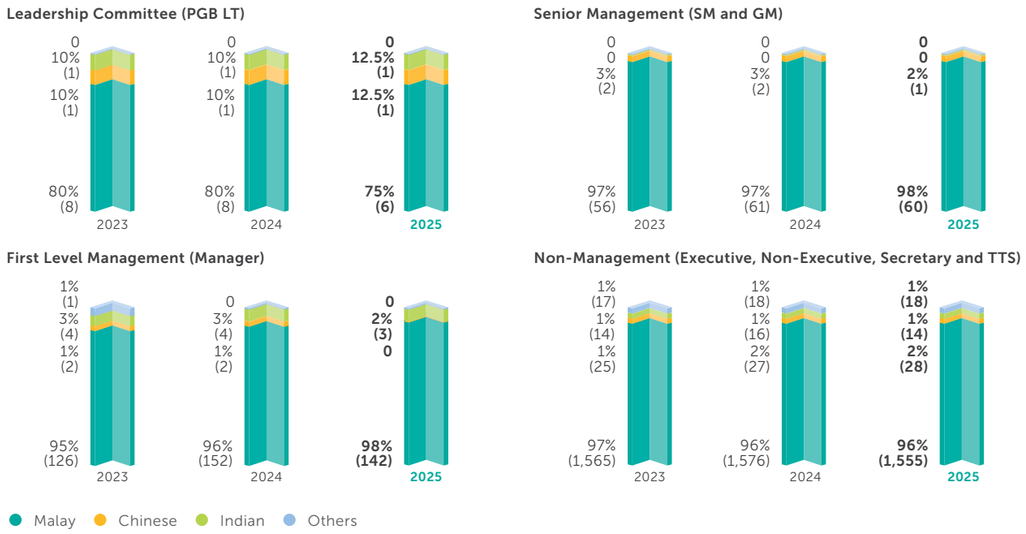


Positive Social Impact

Equal Opportunity, Diversity and Inclusion

Gender of Employees

Ethnicity of Employees



Moving Forward

Moving forward, we will continue to strengthen diversity and inclusion by fostering an equitable workplace where all employees feel valued, respected and empowered to contribute. Through targeted initiatives and inclusive leadership practices, we aim to build a workforce that reflects the communities we serve and supports sustainable long-term performance.

Positive Social Impact

Talent Management

Why It Matters

Effective talent management is essential to sustaining safe, reliable and efficient operations across PGB's gas processing and utilities businesses. A competent and future-ready workforce supports effective compliance with Health, Safety and Environment (HSE) practices, strengthens operational resilience and enables the effective management of high-impact operational risks.

As PGB advances its priorities in operational excellence, sustainability and digital transformation, workforce capabilities must remain closely aligned with evolving business needs. This includes upskilling employees to support digitalisation initiatives such as predictive maintenance and automation, as well as developing sustainability competencies in areas including carbon management and ESG reporting. In parallel, leadership development remains critical to building an effective leadership pipeline that supports long-term growth and portfolio diversification.

Our Approach

Robust Frameworks and Governance of Talent Management

PGB's talent management approach is guided by robust governance frameworks and clear accountability to ensure workforce development consistently supports business priorities and operational requirements. These frameworks create an enabling environment that promotes performance, capability development and professional growth in a disciplined and structured manner.

At the core of our approach is the People Development Committee (PDC), which meets monthly to oversee employee development plans, mobility strategies and career progression initiatives. The PDC provides a platform to assess capability needs, address development gaps and strengthen succession readiness across the organisation. This is complemented by the bi-monthly Talent Council (TC), which focuses on succession planning for critical positions and the development of top talent within PGB.

Leadership development is anchored by our Leadership and Conditioning Framework, which provides a structured approach to identify, develop and support leaders at different stages of their careers. The framework emphasises the development of future leaders, the nurturing of emerging young potential leaders and the promotion of workplace mental health and well-being to enable balanced and effective leadership.

Our leadership development efforts are further reinforced through a three-year Leadership Development Implementation Plan, which serves as a roadmap for building a sustainable leadership pipeline. In 2025, PGB continued to strengthen capabilities across two key talent groups through fit-for-purpose programmes aligned with leadership levels. Potential leaders progressed through the Nurturing Young Leaders Programme (NYLP), which focuses on leadership training, masterclasses and targeted capability building. For managers and senior managers, leadership development was reinforced through targeted programmes aimed at enhancing interpersonal effectiveness and fostering a psychologically safe and inclusive workplace.

Positive Social Impact
Talent Management

All leadership development initiatives are underpinned by the Capability Development Framework, which adopts a blended learning approach across three key channels, namely On-the-Job Learning, Learning From Others and Formal Learning. This ensures leadership capabilities are developed through practical experience, exposure to mentors and coaches and learning programmes.

On-the-Job Learning (OJL)

70%

- Mobility
- Involvement in special assignments or projects
- International posting for cross-cultural exposure

Learning From Others

20%

- Technical or functional training through mentoring or coaching

Formal Learning (FL)

10%

- Classroom learning
- Conferences and forums
- Virtual instructor-led learning
- Online or e-learning

Developing Leadership Skills at All Levels

PGB supports experienced employees transitioning into roles with greater responsibility through a suite of leadership programmes aligned with organisational roles and individual development requirements.

Transformational Leadership	Aimed at senior leaders transitioning into new roles, this programme offers blended, customised solutions that equip them with the critical knowledge and skills needed to drive sustainable and transformative business results.
High Impact Leadership	Designed for experienced managers, this programme focuses on enhancing leadership knowledge and practical skills, enabling participants to create a meaningful impact in their current roles.
Dynamic Leadership	Targeted at new managers, this programme empowers them with essential leadership and motivational skills to excel in their new responsibilities and confidently navigate managerial challenges.
Foundational Leadership	Developed for executives, this programme prepares participants to become future leaders by honing their ability to drive operational excellence in dynamic business environments with finesse, resilience and agility.

Together, these programmes support leadership development across different career stages, enabling experienced employees to assume expanded responsibilities while strengthening capabilities aligned to organisational roles and business requirements.

Complementing these efforts, a Prioritised Training Matrix is applied to guide the growth and grooming of junior employees during their first six years, with a focus on building solid foundations in technical, HSE, functional, digital and leadership capabilities. The matrix provides clarity on mandatory, role-critical and developmental training requirements to support safe, productive and compliant integration into the organisation.

Nurturing Young Leaders Programme (NYLP)

In 2025, a total of 63 potential leaders participated in the NYLP and were further supported by curated digital learning via the myLearningX platform, enabling continuous and self-driven capability development. Their development was reinforced with structured interventions encompassing selected leadership initiatives, which supported broader capability building across the organisation. During the year, the NYLP was also extended to junior executives in the organisation.

2 Leadership Masterclass

1 Effective Thought Structuring (ETS)

1 Coaching for Action

5 Leadership programmes

1 CX Academy

Total participations:

307

Notes:
- Participations refer to the number of times a programme has been attended; the same person may enrol in this programme more than once.
- The total of 307 participations include 61 potential leaders, along with other employees from the executive and above categories.

Developing Talent Capabilities

In 2025, we replaced technical leadership programmes, such as the Technical Specialist Qualified Leaders (TPQL), with initiatives that focused on leadership readiness, functional competence and cross-disciplinary exposure. These initiatives are delivered through established leadership development pathways, targeted training and on-the-job learning, which develops capabilities such as technical judgement, commercial awareness and leadership skills required to operate in a highly technical and safety-critical environment. These training sessions complement our talent capability programmes that are focused on reinforcing safe and reliable operations across PGB.

Simultaneously, we offer internship and graduate employability initiatives to contribute to talent development in the industry. During the year, 89 interns participated in PGB's internship programme, while 60 graduates gained industry exposure and improved their career prospects from placements under the Graduate Employability Enhancement Scheme (GEES).

Employee Engagement Channels

At PGB, communication ensures employees understand business priorities, operational expectations and leadership decisions. Management communication is delivered through various established channels, including annual townhalls, monthly newsletters, the intranet and interactions facilitated through employee unions.

In 2025, we conducted 22 engagement activities and programmes to facilitate direct communication between management and employees across all levels. During the year, 10 communications were issued through internal newsletter, complemented by regular updates via the Human Resource Management (HRM) intranet to ensure employees remained informed on key developments.

All employees with more than six months of tenure receive annual performance reviews, with the management providing feedback on performance outcomes, areas for improvement and development priorities. Regular performance conversations are conducted to maintain alignment with individual and team targets. In 2025, a new feature was introduced via employee career system to allow employees to request behavioural feedback on specific tasks, aligning feedback with the PETRONAS Results and Culture matrix.

Beyond routine engagement, PGB supports employee engagement and well-being during critical events. Following the Putra Heights safety incident, we provided targeted support measures, including coverage of uninsured medical costs, alongside 14 counselling sessions by in-house occupational doctors and Naluri.

Positive Social Impact
Talent Management

Providing Upskilling Opportunities

Beyond professional development, we are committed to offering our employees opportunities to expand their knowledge in non-work-related areas, recognising that this contributes to greater satisfaction and loyalty. In 2025, our employees participated in the following initiatives:

LinkedIn

- Advanced AI Governance: Operationalising AI Controls and Continuous Monitoring
- Advanced Conflict Resolution Techniques for Executives
- Advanced Microsoft Project
- Agentic AI: Challenges and Opportunities for Leadership
- Agile Project Leadership
- AI Agents: Preparing Your Organisation for Change as a Business Leader
- AI and Generative AI for Video Content Creation
- AI for Project Managers: Fourteen Ways to Streamline Your Work
- AI Leadership: Driving Business Results With Generative AI
- Amplify Your Critical Thinking With Generative AI
- Analysing and Reporting Environmental, Social and Governance Data
- Artificial General Intelligence: The Technology, Impact and Ethics
- AutoCAD 2014 Essential Training: 1 Interface and Drawing Management
- AutoCAD Map 3D 2022 Essential Training
- AutoCAD: Annotative Dimensions, Dimension Styles and Dimension Families
- AWS Certified AI Practitioner (AIF-C01) Cert Prep
- Azure AI Engineer Associate (AI-102) Cert Prep: Plan and Manage an Azure AI Solution
- Azure AI Fundamentals (AI-900) Cert Prep: 1 Conversational AI on Azure
- Balancing AI Adoption and Employee Well-Being as a Manager
- Become a Better Coach for Your Team
- Becoming an Impactful and Influential Leader
- Body Language for Authentic Leadership
- Building AI Competencies in Business Development Teams
- Building Career Agility and Resilience in the Age of AI
- Broaden Your Perspectives by Doing Something New
- Building a Responsible AI Programme: Context, Culture, Content and Commitment
- Career Advice from Some of the Biggest Names in Business
- Closing the Green Skills Gap to Power a Greener Economy and Drive Sustainability
- Career Advocacy: How to Make Your Next Move
- Corporate Financial Statement Analysis
- Climbing the Five Tiers of Career Development
- Cybersecurity Awareness: Cybersecurity Terminologies
- Defining Modern Digital and Business Transformation
- Design Thinking: Cultivating Curiosity for Empathy and Inclusion
- Graphic Design Careers: First Steps
- How to Pivot Your Career
- Microsoft Copilot for Productivity by Microsoft and LinkedIn
- Nano Tips for Setting Career Goals and Mastering Career Conversations With Lorraine K Lee
- Taking Charge of Your Career
- Stay Connected to Your Career While Caregiving
- Seven Paths to Happiness (and Two Dead Ends): Strategies for Your Life and Career
- Unlock the Skills to Perform With Purpose and Professionalism
- Unconventional Approaches to Reinventing Your Career
- Writing a Business Report

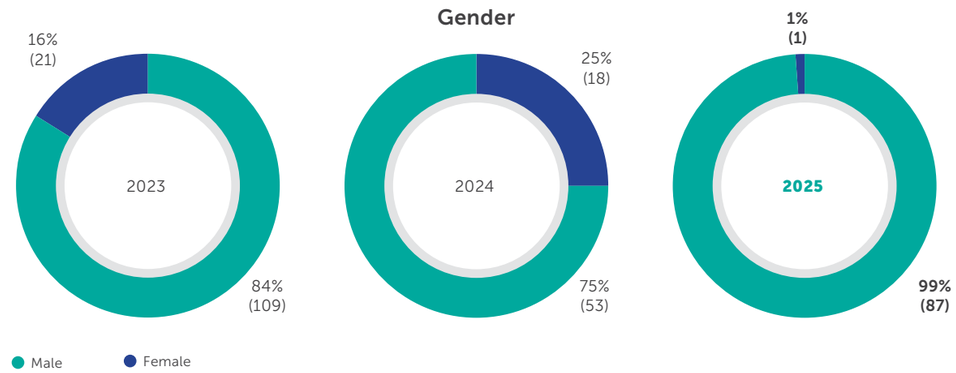
Conferences

- Seminar Organisasi Keselamatan Kebakaran (OKK)
- Seminar Transformasi KKP 2025: Evolusi Proaktif
- Energy Asia Conference 2025
- Seminar Transformasi Keselamatan dan Kesihatan Pekerjaan 2025
- Seminar Badan Peneraju Industri Bidang Kebombaan 2025

Our Performance

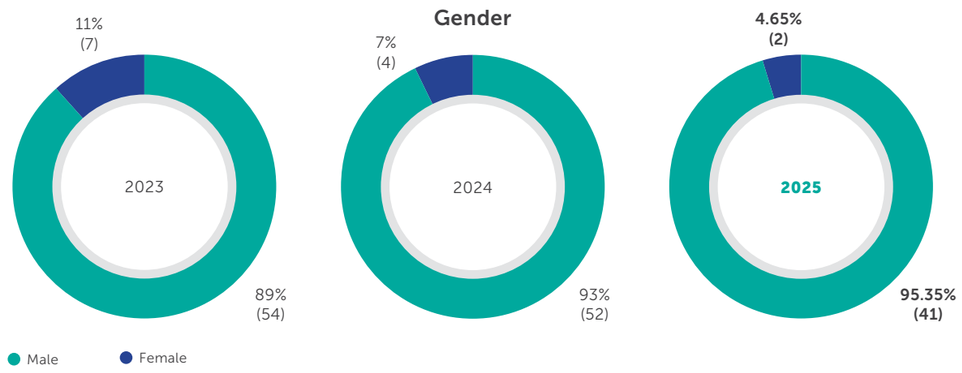
Total and Rate of New Employee Hires

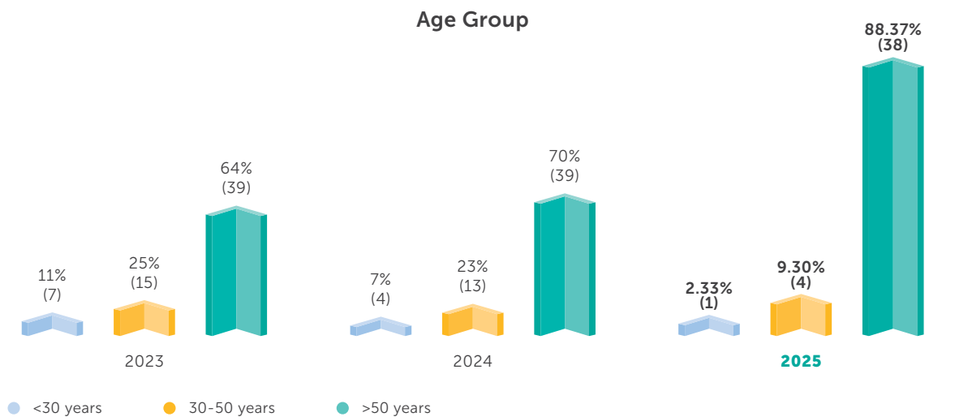
New Recruits, Including Experienced Hires

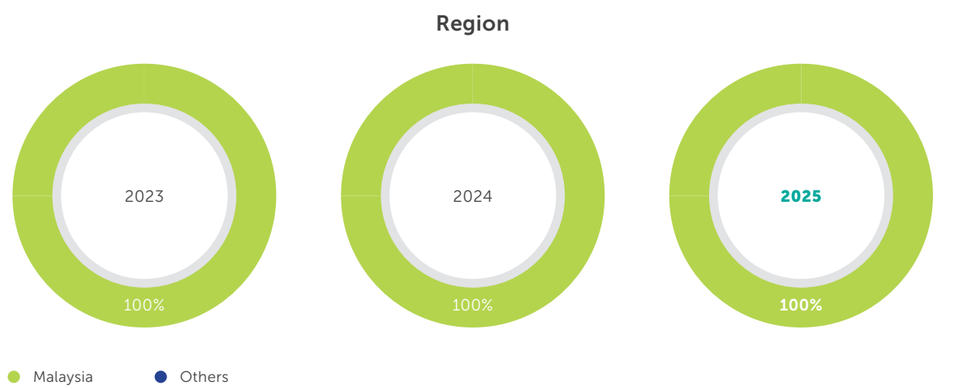


Positive Social Impact
Talent Management

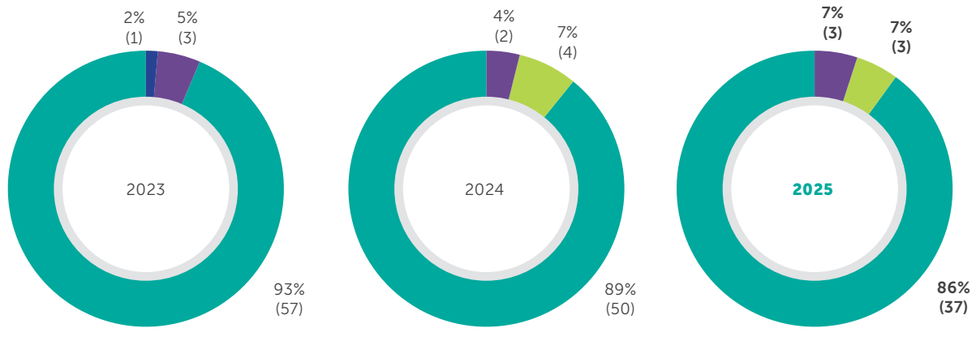
Total and Rate of Employee Turnover
Retirement and Resignation







Employee Turnover by Category



Permanent Employees vs Temporary Staff or Contractors

Permanent Employees

2023	2024	2025
99.3%	98.1%	99.6%

Temporary Staff or Contractors

2023	2024	2025
0.7%	1.9%	0.4%

Parental Leave

Parental Leave Data	Men	Women	Total
Number of employees who took parental leave	105	15	**120**
Number of employees who returned to work after parental leave ended	105	14	**119**
Number of employees who returned to work after parental leave ended and were still employees 12 months after their return to work	105	14	**119**
Rate of return of employees who had taken parental leave (%)	100	93	**99**
Retention rate of employees who had taken parental leave (%)	100	100	**100**

Positive Social Impact
Talent Management

Employee Benefits

The benefits we offer to our employees meet or exceed all minimum requirements mandated under Malaysian law. These benefits are designed to support employee well-being, security and financial stability.

Our employee benefits include life insurance, healthcare coverage, disability and invalidity benefits, parental leave and retirement provisions, as outlined in our internal governance documents.

These documents include the Executive Handbook, Secretary Handbook, Technical Trade Specialist Handbook (TTS) and Collective Agreement (CA). They are aligned with PETRONAS' overarching human resource policies and guidelines for internal references.

For employees engaged under a Contract of Service, benefits are determined based on the provisions set out in their respective employment contracts.

Training and Education

Our training and education focus on consistent capability development, which supports safe and reliable operations across the workforce. In 2025, we recorded lower training hours due to the rightsizing exercise and disruptions from the Putra Heights safety incident. However, our average training hours per year per employee remained above the industry average of seven days per year per employee. The tables below detail PGB's three-year employee training hours by gender and by employee category.

Overall Training	2023	2024	2025
Total Employees	1,821	1,868	**1,829**
Total Training Hours	190,678.00	198,881.45	**133,781.37**
Average Training Hours per Employee	104.71	106.47	**73.14**
Average Training Days per Employee	13.1	13.30	**9.1**
Type of Training	HSE, Technical Business Excellence, Leadership, Functional	HSE, Technical Business Excellence, Leadership, Functional	**HSE, Technical Business Excellence, Leadership, Functional**

Training by Employee Category	2023		2024		2025	
Employee Category	Total Training Hours	Average Training Hours per Employee	Total Training Hours	Average Training Hours per Employee	Total Training Hours	Average Training Hours per Employee
Leadership Committee (PGB LT)	834.45	83.45	571.02	57.10	**207.73**	**23.08**
Senior Management (SM, GM and Non-LT)	3,161.55	54.51	3,360.26	53.34	**3,610.66**	**59.19**
First Level Management (Manager)	9,218.99	69.32	11,835.28	74.91	**10,421.80**	**69.02**
Non-Management (Executive, Non-Executive, Secretary and TTS)	177,463.01	109.48	183,114.89	111.86	**119,541.18**	**74.34**

Participation in Skills Development Programmes

Our skills development programmes support employees in building the knowledge and leadership capabilities required for effective performance in their respective roles.

1 Participant
Transformational Leadership

12 Participants
High-Impact Leadership

30 Participants
Dynamic Leadership

628 Participants
SKG Training

Transition Assistance Programmes

We offered professional transition assistance programmes to support employees as they prepare for roles outside PGB. These include practical support through job counselling, CV development, interview preparation and seminars covering workplace readiness and office skills. One of the programmes, the Career Transition Service, assists employees who were offered the mutual separation scheme during the rightsizing exercise and those who opted to participate at the enterprise level.

Performance and Career Development Reviews

Reviews by Gender

	Male	Female
Total employees	1,619	210
Total employees who received performance and career development reviews	1,530	209
Percentage of employees who received performance and career development reviews (%)	95.0	99.5

Reviews by Employee Category

Employee Category	Total Employees	Total Employees Who Received Performance and Career Development Reviews
Leadership Committee (PGB LT)	8	8
Senior Management (SM and GM)	61	61
First Level Management (Manager)	145	145
Non-Management (Executive, Non-Executive, Secretary and TTS)	1,615	1,525

Moving Forward

We will continue to invest in developing technical expertise and leadership capabilities to support evolving operational requirements and the energy transition. By strengthening talent pipelines, enhancing skills in digitalisation and innovation and fostering a proactive safety culture, we aim to sustain performance and deliver reliable services to stakeholders.

Positive Social Impact
Occupational Safety and Health

Why It Matters

Occupational safety and health (OSH) is fundamental to PGB's ability to operate reliably and responsibly across our gas processing and transmission assets. A robust OSH framework safeguards our people, ensures asset integrity and underpins consistent operational performance in a risk-intensive operating environment.

OSH also represents our licence to operate. As operational risks evolve with asset ageing, process complexity and changing regulatory expectations, effective management of safety and health risks is critical to maintain stakeholder confidence. We integrate OSH values into our day-to-day operations and decision-making to prevent incidents that could harm employees, contractors, neighbours, the environment and assets and incur reputational damage.

Our OSH management system is subject to regular management reviews that assess emerging risks, system performance and lessons learnt from internal assurances, incidents and near misses. These insights inform continuous improvements to our procedures and controls, reinforcing a proactive safety culture that supports long-term resilience.

Our Approach

A Comprehensive Policy and System to Drive OSH Excellence

Our OSH practices and culture are guided by and governed under our Health, Safety and Environment (HSE) Policy, which complies with all applicable legal and regulatory requirements, including the Occupational Safety and Health Act 1994 and its 2022 amendment. The policy establishes clear expectations for managing safety and health risks and provides top management with structured guidance on OSH responsibilities across the organisation.

Implemented through our HSE Management System (HSEMS), the policy applies to all employees and contractors operating within our premises. Our HSEMS is aligned with internationally recognised standards, including ISO 45001:2018 Occupational Health and Safety Management Systems, and provides a systematic framework for identifying hazards, assessing risks and implementing effective control measures.

Oversight of the HSE Policy, HSEMS and their implementation resides with our Board and Leadership Team, who are accountable for ensuring their integration across all operations. Through regular and focused engagement with employees and contractors, our leadership reinforces shared responsibility for safety outcomes, while monitoring progress against established targets and key performance indicators.

Guided by our HSEMS, we focused on five key areas that support safer and healthier workplaces:

Leadership Commitment

Demonstrating consistent leadership accountability for OSH across all organisational levels.

Hazard Effect Management Process

Proactively identifying, assessing and mitigating workplace hazards, guided by the principle of reducing risks to 'as low as reasonably practicable' (ALARP)

Competence

Equipping our workforce with the necessary knowledge and skills to uphold safety standards and drive continuous improvement

Asset Integrity and Reliability

Ensuring facilities are designed, operated and maintained in accordance with internal codes, standards and regulatory requirements to support safe and reliable operations

Continual Improvement

Strengthening our OSH management system through ongoing reviews, performance monitoring and alignment with evolving standards and internal performance metrics

Monitoring Safety Performance Outcomes and Preventive Measures

Our HSE Policy establishes safety performance targets, including zero incidents of fatality, major fire, major loss of primary containment (LOPC) and major security. These objectives guide how risks are assessed and how resources are allocated across our operations, with a clear focus on preventing high-consequence events.

OSH strategic objectives are set based on our risk profile, the nature of our business activities, applicable legal and regulatory requirements and emerging technological developments. This ensures that targets remain relevant, proportionate and responsive to evolving operational conditions.

Our safety performance is monitored through our OSH Scorecard, which defines limits and targets informed by historical performance and reviewed regularly by management. The scorecard tracks both lagging and leading indicators to provide timely insights into safety performance, strengthen accountability and support continuous improvement across the organisation.

The lagging indicator scorecard provides visibility on safety performance outcomes and regulatory compliance, enabling objective assessment of incident trends and the effectiveness of risk mitigation and controls. These indicators include:

Fatality	**Major fire**
Lost Time Injury	**Major Loss of Primary Containment**
Lost Time Injury Frequency	**HSE non-monetary sanctions**

The leading indicator scorecard focuses on preventive measures, barrier effectiveness and workforce behaviours that influence safety performance. These indicators support early identification of emerging risks and facilitate mitigation and controls before incidents occur. The key leading indicators include:

By monitoring our leading indicator outcomes, we can reduce workplace incidents and unsafe condition observations, enabling early intervention and prevention.

Positive Social Impact
Occupational Safety and Health

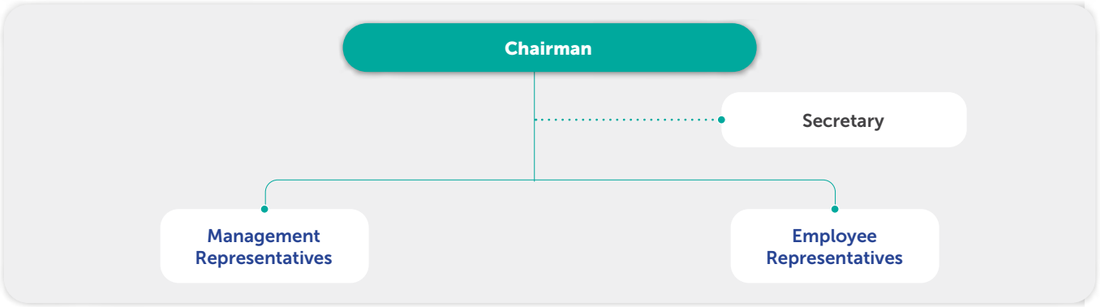
Structured and Collaborative OSH Management

OSH at PGB is spearheaded by the HSSE Leadership Team, which is chaired by our MD/CEO and reports directly to the Board. The Board affirms its overall responsibility for the Group's system of risk management and internal controls and has undertaken a review of the adequacy and effectiveness of those systems, as well as compliance with relevant laws and regulations. This structure provides clear leadership accountability and enables timely oversight of OSH events and risks across the organisation.

OSH Committees are established at both division and asset levels to support oversight and effective resolution by carrying out the following responsibilities:

- Evaluating the implementation and effectiveness of OSH management system programmes
- Enhancing employee awareness and fostering a culture of positive action towards safety and health excellence
- Identifying and implementing measures to prevent injuries, minimise property damage and address occupational illnesses and diseases
- Driving full compliance with all relevant regulatory requirements
- Cultivating a Generative HSE Culture through workforce-wide campaigns and initiatives
- Driving 100% compliance with all mandatory and compulsory training, including requirements for critical positions

The HSE Leadership Team meets every quarter with OSH Committees to discuss OSH matters specific to each asset level. Every OSH Committee has a balanced representation from management and employees, in accordance with the OSH Committee Regulations 1996. Employees across job scopes and work environments are represented, supporting open two-way dialogue and a unified approach to addressing OSH challenges. This structured representation and reporting arrangement is reflected in the OSH Committee structure illustrated below.



Divisional-level OSH Committees are supported by asset-level OSH Committees, which meet at a minimum on a quarterly basis to address site-specific OSH issues, programme implementation, performance monitoring and compliance-related matters. Key highlights and significant concerns raised at both division and asset levels are subsequently shared with the PGB HSSE Leadership Team and escalated for Board oversight.

Examples of topics commonly discussed in OSH Committee meetings include:

Occupational safety and health incidents	Unsafe Act and Unsafe Condition Analysis	Fitness to work assessments
Maintenance plans in supporting Health and Safety elements	Tracking of leading indicators to enable proactive intervention	Internal and external risk management (Ex-RM) issues
Emergency response preparedness	ZeTo Rules violations	Land encroachment along pipeline right-of-way (ROW)
Permit-to-work (PTW) non-compliance trends	OSH-related training plans for PGB	Notice of Prohibition (NOP) and Notice of Improvement (NOI) received from authorities

OSH Committees are responsible for steering initiatives that improve workplace safety, awareness and engagement through activities that inculcate a Generative HSE Culture among employees and contractors. Among the initiatives implemented in 2025 were:

Spot the Active Risk (STAR) Dashboard	"What's Good Looks Like" checklist	Virtual Run 2025	PGB Hire Fit, Keep Fit 3.0 Programme
Management HSE Walkabout	GTR Walking Challenge and Food Campaign	Blood Donation Programme	Emergency response exercises at high-density areas
GTR HSE Pause sharing session for incident lessons learnt	OSH Committee engagement with site contractors	Mental Health Day	PETRONAS Petroleum Integrated Complex (PPIC) contractor profiling
		Health talk on intermittent fasting for weight loss	

Ensuring Compliance and Upholding Global Certifications

To ensure compliance with applicable regulatory requirements and recognised standards, PGB regularly audits its OSH practices to maintain relevant international OSH certifications. These activities are guided by the PETRONAS Assurance Framework, which is structured around three lines of assurance and administered through the myAssurance online platform.

Our safety and health practices are subject to annual reviews through PGB Management System Review (MSR) activities. Issues identified through these reviews are tracked at the appropriate operational levels, with findings escalated to the PGB HSSE Leadership Team for analysis and action planning, where required.

All PGB assets and subsidiaries maintain certification to ISO 45001:2018 Occupational Health and Safety Management Systems (OHSMS). In 2025, PGB successfully completed its ISO 45001:2018 recertification exercise in July, with all assets undergoing the required assessment to confirm continued conformity with certification requirements.

PGB's OSH system and implementation are independently assessed by external certification bodies, including SIRIM QAS International Sdn. Bhd. These assessments provide independent verification of compliance with applicable local and international standards, including the Occupational Safety and Health Act 1994, relevant National Fire Protection Association (NFPA) standards and ISO 45001:2018.

PGB regularly audits its **OSH practices** to maintain relevant international OSH certifications

Fostering a Generative HSE Culture

With operations spanning diverse assets and workforce profiles across multiple geographical locations, PGB emphasises embedding HSE awareness into the daily mindset and behaviours of employees and contractors. Fostering a Generative HSE Culture is grounded in collective responsibility and reflects a strategic thrust that supports our Strategic Agenda and pursuit of operational excellence.

The Generative HSE Culture extends beyond procedural compliance and requires active ownership of safety and health risks in everyday decision-making and actions. It is driven by visible leadership, workforce engagement and consistent reinforcement of safe behaviours across all operational contexts. This approach positions HSE at PGB as a shared responsibility and a core element of how work is planned, executed and reviewed.

To define clear targets and cultural outcomes, we implemented a structured Generative HSE Culture framework that is anchored on three key themes: leadership growth, capability development and compliance. These themes are the foundation of our organisation-wide programmes, which aim to embed HSE values into our operational practices and organisational DNA.

To gauge the effectiveness of initiatives and leadership engagement in our Generative HSE Culture, we conduct a Culture Maturity Survey (CMS) which gathers feedback from employees. We are pleased to report that the survey has shown a steady improvement from 3.91 in 2018 to 4.16 in 2023, reinforcing the role of leadership accountability, workforce participation and systematic reinforcement in shaping positive safety behaviours. The 2023 CMS score of 4.16 remained applicable in 2025 and continued to inform targeted actions to strengthen PGB's Generative HSE Culture in support of the CMS target score of 4.5 by 2030.

Positive Social Impact

Occupational Safety and Health

Target

- **CMS Rating: 4.5**
- **SR Certification**
- **Award and Certification**
- **Zero Major Incident**
- **Zero Regulatory Non-Compliance**

GC in Me: We Are Generative
Objective: Generative Culture High-Performance Organisation
Engage Authentically. Feedback Truthfully, Act Inter-Dependently. Empower Capability

Themes

- **Leadership**
  Reinforce leadership role and instil personal accountability at all levels for HSSE sustainability
- **Capability**
  Intensify HSSE competency at all PETRONAS workforce in driving HSSE excellence
- **Compliance**
  Deliver compliance with sustainable HSSE solutions on HSEMS and SEMS implementation

Programmes

- Strengthening GC Top Leader, Middle Managers and Rakan HSSE Leadership Programme
- Structured Hazard Hunting Programme
- Workplace Safety via Plant 5S Programme
- Visual Management Safety-Focused Storytelling
- Healthy Mind and Healthy Body Programme
- Contractor Leadership Programme

- PSM Care Conversation
- UAUC Quality Programme
- Instilling HSE knowledge via demonstration and digital learning
  - HSSE in Me
  - Demonstration Video (Repetitive Issues)
  - What's Good and Bad Look Like
  - Leader Pit-Stop
  - Contractor HSSE Mentorship Programme

- HSSE digital ecosystem to support people compliancy and visible HSE implementation
- Compliancy Assurance at ABT/ Project Encouragement of HSE compliance via visible reward and recognition
  - CEO GC Trophy
  - Individual awards on GC
  - Programme base rewarding
  - Hall of Fame

Mindset

Alignment with PETRONAS Culture Beliefs

Spot the Active Risk (STAR)

A key initiative to foster the Generative HSE Culture was Spot the Active Risk (STAR). STAR is designed to provide live insights into all identified risks in real time, enabling prompt intervention and strengthening proactive risk management across operations. Through STAR, we seek to shift from reactive responses to anticipatory action, enhance visibility of leading HSE risk indicators and strengthen compliance performance and operational integrity through data-driven insights.

Effective Lateral Learning Programme

PGB reinforces organisational learning through its Effective Lateral Learning Programme, consisting of five key topics: Prevent Recurrence of Incidents, Enhance Organisational Resilience, Promote a Generative Safety Culture, Drive Continuous Improvement and Support Knowledge Management. This facilitates the systematic sharing of lessons learnt from HSE incidents across plants and operational units. By analysing incidents, root causes and corrective actions, the programme supports consistent application of learnings beyond the originating site and reinforces a culture of openness, accountability and continuous improvement.

Reinforcing Accountability and Positive Behaviours

To advance a Generative HSE Culture, we continue to strengthen accountability and behavioural reinforcement across the organisation. This includes emphasising Personal Accountability by encouraging every individual to take ownership of their actions, decisions and outcomes. This reinforces the principle that safety is not only governed by systems and procedures, but is a personal responsibility embedded into daily behaviours.

Accountability for safety performance is reinforced through clear line-of-sight ownership, supported by staff and contractor profiling. These mechanisms strengthen Business Operating Compliance and enable potential non-compliances to be identified and addressed early, reinforcing individual responsibility for safe execution across operations.

In 2025, PGB enhanced its Accountability and Behavioural Reinforcement (ABR) framework by expanding the list of major HSE non-compliance and introducing a category for minor HSE non-compliance that requires immediate local action. This ensures unsafe acts and conditions are addressed promptly at the point of occurrence, without relying on extended administrative processes.

To reinforce positive behaviours, PGB celebrates achievements and acknowledges exemplary contributions to uphold desired safety behaviours and sustain a generative culture. Engagement and recognition platforms, such as HSE Night 2025, further support shared accountability, collaboration and continuous improvement across the organisation.

Managing and Minimising Work-Related Hazards and Safety Risks

PGB adopts a wholesome approach to managing work-related hazards and safety risks to safeguard our people, assets and the environment, while ensuring compliance with applicable regulatory requirements and industry standards.

Recognising that our operations expose employees and contractors to a range of physical, chemical, biological and psychological hazards, we exercise a stop-work practice by empowering employees and contractors to remove themselves from any situation that poses imminent danger, emphasising their right to a safe and secure working environment without fear of reprisal.

We strengthen hazard and risk management capabilities by improving the quality of hazard identification and monitoring and enhancing stop-work authority and GC Programmes. During the year, we conducted 347 Tier 1 emergency drills.

To identify, assess, control and mitigate safety risks effectively, we apply a comprehensive set of risk assessment tools whereby 478 risk assessments were conducted, demonstrating broad risk assessment coverage across HSE and Process Safety Management (PSM). Furthermore, we provide training sessions to ensure our employees and contractors are well-informed and competent in conducting safety risk assessments.

PGB's key safety risk assessment tools are:

- **Hazard Identification (HAZID)**
- **Process Hazard Analysis (PHA)**
- **Health Risk Assessment (HRA)**
- **Human Health Risk Assessment (HHRA)**
- **Job Hazard Analysis (JHA)**
- **Project Risk Assessment (PRA)**
- **Chemical Health Risk Assessment (CHRA)**
- **Noise Risk Assessment (NRA)**
- **Simultaneous Operations (SIMOPS) Assessment**
- **Turnaround Risk Assessment (TARA)**
- **Quantitative Risk Assessment (QRA)**
- **Social Risk Assessment (SRA)**

In managing risks associated with major accident hazards, PGB utilises the Control of Industrial Major Accident Hazards (CIMAH) report to assess the types, likelihood and consequences of potential major accidents at our plants. The CIMAH report provides clear recommendations for safe operations, outlines control measures to prevent serious deviations and details emergency response arrangements to manage potential accident scenarios.

In compliance with the CIMAH Regulations 1996, PGB maintains on-site and off-site emergency response plans that can be promptly activated in the event of a major accident. We also adhere to regulatory requirements for public notification relating to potential hazards arising from industrial activities involving hazardous substances above prescribed thresholds.

Additionally, we adopt the PETRONAS Technical Standards (PTS) for HSE Due Diligence framework for all potential merger and acquisition projects and new operations. This robust and comprehensive process evaluates risks and opportunities across the following critical areas, which were assessed in 2025, with an emphasis on OSH considerations.

- **Social Performance**
- **Product Stewardship and Toxicology**
- **Climate Change**
- **Operational Safety**
- **Process Safety Management**
- **Industrial Hygiene**
- **Occupational Health**

Positive Social Impact
Occupational Safety and Health

Ensuring Process Safety Excellence

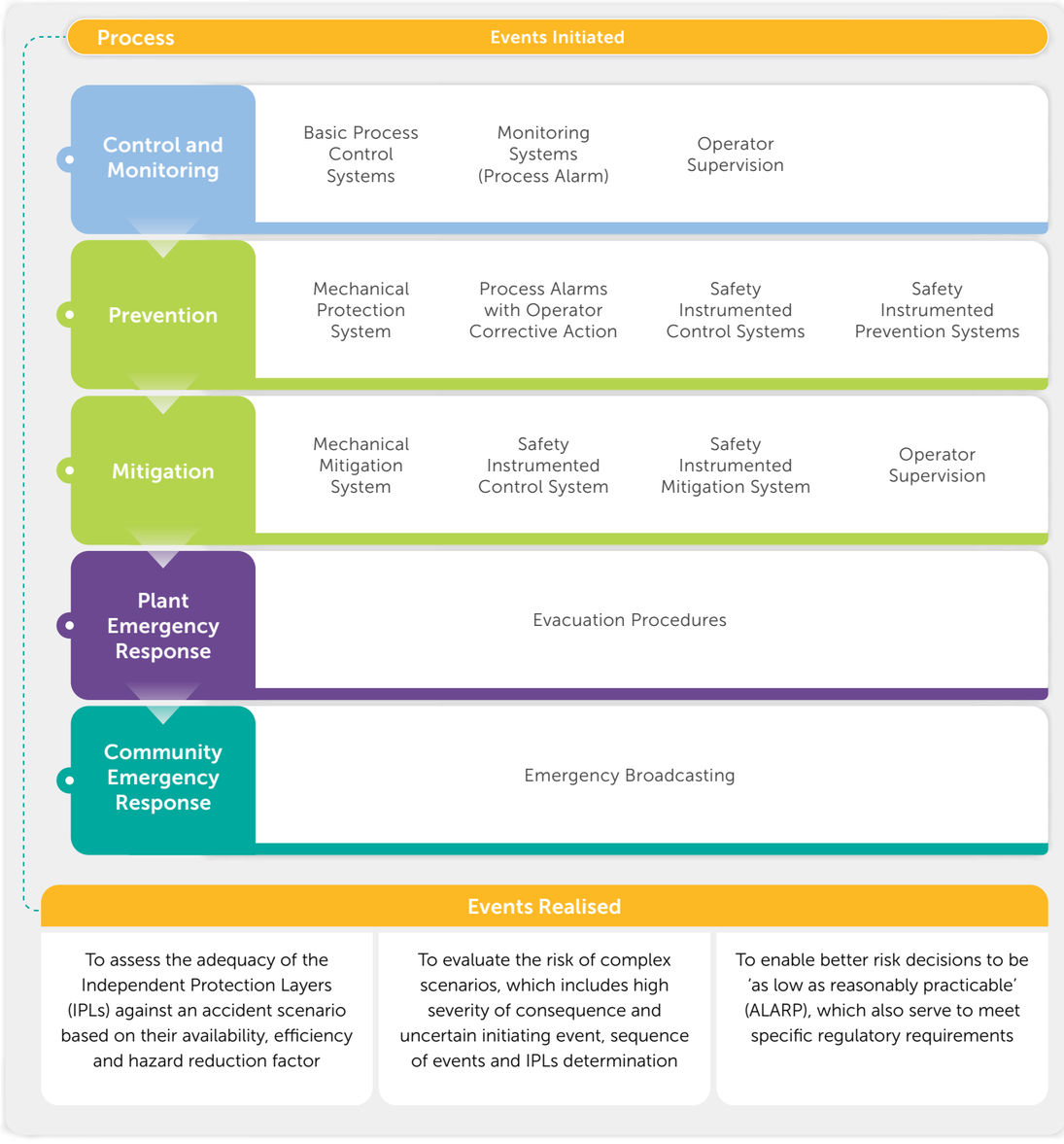
The nature of PGB's operations across gas processing, regasification, transmission and utilities demands a comprehensive approach to process safety. Our focus remains on preventing major incidents involving the loss of containment and release of hazardous materials from plants and equipment, recognising the potential impact on people, assets and the surrounding communities.

To mitigate these risks, PGB applies Process Safety Principles consistently across all stages of asset lifecycle, from facility design and construction to operations, maintenance and inspection activities. Process safety risks are managed through governance, robust technical standards and assurance processes.

The progressive adoption of digital tools continues to play a pivotal role in process safety oversight, control and risk mitigation across our operations. Key digital initiatives have been implemented to enhance visibility, data integrity and decision-making, including integrated platforms supporting Management of Change (MoC), hazard identification and risk assessment (HIRA), real-time monitoring of process safety performance, safety-critical equipment management and control of temporary repairs.

Integrated Process Safety Solution (IPSS)	Streamlines the Management of Change (MoC), Pre-activity Safety Review (PASR) and Hazard Identification and Risk Assessment (HIRA) processes
Process Safety Management (PSM) Dashboard	Monitors performance in real time using a Power BI dashboard
Electronic Permit to Work+ 2.0 (ePTW+ 2.0)	Includes the enhanced version 2.0, featuring the Safety Critical Protective Device (SCPD) bypass for enhanced safety compliance
Barrier Risk Centralised Solution (BRICS)	Supports preventive and corrective maintenance of safety-critical equipment
Predictive Revitalisation to Maximise Instrumentation Efficiency (PRIME)	Provides better server reliability, data accuracy and automated alarm reporting through the migration of PRIME from physical to cloud server
Enhanced PETRONAS Engineering Data Management System (P-EDMS)	Incorporates management of process safety information, including document data management and engineering design and visualisation
Integration of P-EDMS with the PETRONAS Risk-Based Inspection	Enhances plant risk visualisation for better decision-making

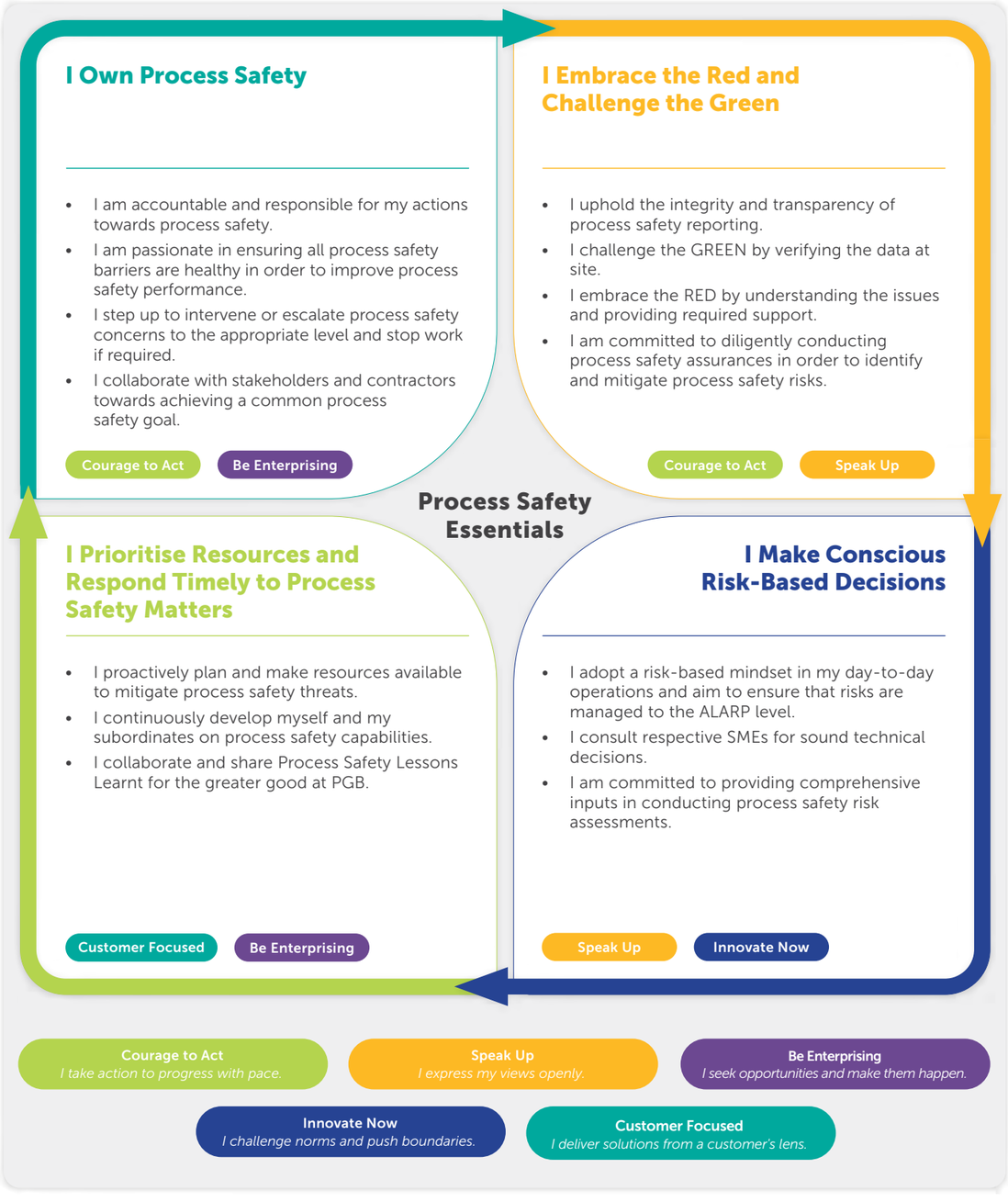
To ensure compliance with PETRONAS standards, process safety controls and barriers are subject to regular assessments at all organisational levels. Recognising the critical importance of layered protection, PGB applies the Layer of Protection Analysis (LOPA) framework, which defines five layers of controls to reduce risks.



Positive Social Impact

Occupational Safety and Health

Process safety expectations are reinforced through regular communications and mandatory adherence to the Process Safety Essentials (PSE), a prioritised set of guidelines designed to prevent incidents by clearly defining critical process safety requirements that must always be in place and followed.



Strengthening Mechanical Integrity and Risk Visibility

In 2025, PGB enhanced process safety oversight through the implementation of the GPU Mechanical Integrity Tracking List (MITL) Heat Map, a digital tool used across GPU assets to monitor, assess and visualise the piping integrity status.

Key Functions and Purpose

- **Centralised Tracking**

  Consolidates data on mechanical integrity issues, including inspection findings, maintenance requirements and risk assessments, into a single, easily accessible dashboard
- **Visual Risk Assessment**

  Uses colour-coded indicators to highlight areas of concern such as overdue inspections, high-risk equipment or unresolved findings, enabling faster identification and prioritisation of actions
- **Proactive Maintenance**

  Provides real-time visibility into mechanical integrity status, enabling early intervention to reduce the likelihood of equipment failure, safety incidents or regulatory non-compliance
- **Continuous Improvement**

  Tracks corrective actions and recurring issues to address root causes and strengthen overall asset reliability and integrity

Organisational Value

- **Supports Safety and Compliance**

  Ensures mechanical integrity requirements are met, contributing to safe operations and compliance with internal standards and external regulations
- **Facilitates Decision-Making**

  Enables leadership and operational teams to make informed decisions on resource allocation, maintenance scheduling and risk mitigation
- **Enhances Reporting**

  Provides clear and actionable insights for management, auditors and regulatory bodies

Structured Hazard Identification and Review

Hazard and Operability Study

In 2025, Gas Transmission conducted its Hazard and Operability (HAZOP) study, covering both compressor stations and pipeline systems. Held once every five years, the cyclic study reviewed potential hazards and operability issues arising from intended design and operating condition deviations across key process nodes.

The HAZOP study incorporated relevant process modifications, operating experience and recommendations arising from recent incidents to ensure risks were assessed in the context of current operating conditions. Findings from the study informed targeted risk control measures and improvement actions to strengthen process safety, operational reliability and asset integrity.

Development Guideline Near PGU Pipeline

GTR commenced the Development Guideline Near PGU Pipeline (DEGUP) initiative to strengthen public safety governance, land-use planning and regulatory alignment for developments near high-pressure gas transmission pipelines.

The initiative establishes a comprehensive technical and governance framework to guide external agencies, developers and local authorities in making informed development decisions within the PGU pipeline corridor. DEGUP integrates engineering, regulatory and land-use considerations to manage encroachment risks, safeguard pipeline integrity and protect surrounding communities, while supporting coordinated urban development.

Among the key objectives of DEGUP are:

- Enhancing safety buffer boundaries and development guidelines aligned with recognised international benchmarks such as the UK HSE's PADHI (Planning Advice for Development Near Hazardous Installations) and the US PHMSA (Pipeline and Hazardous Material Safety Administration) frameworks
- Integrating technical, regulatory and land-use considerations to support national urban planning and infrastructure development
- Strengthening collaboration and alignment between PGB OPU, Group Technical Solutions (GTS), other PETRONAS entities and relevant government authorities, including local councils and the Department of Environment

Through DEGUP, PGB reinforces its commitment to maintaining the highest standards of process safety and operational integrity, while guiding external parties to make informed development decisions.

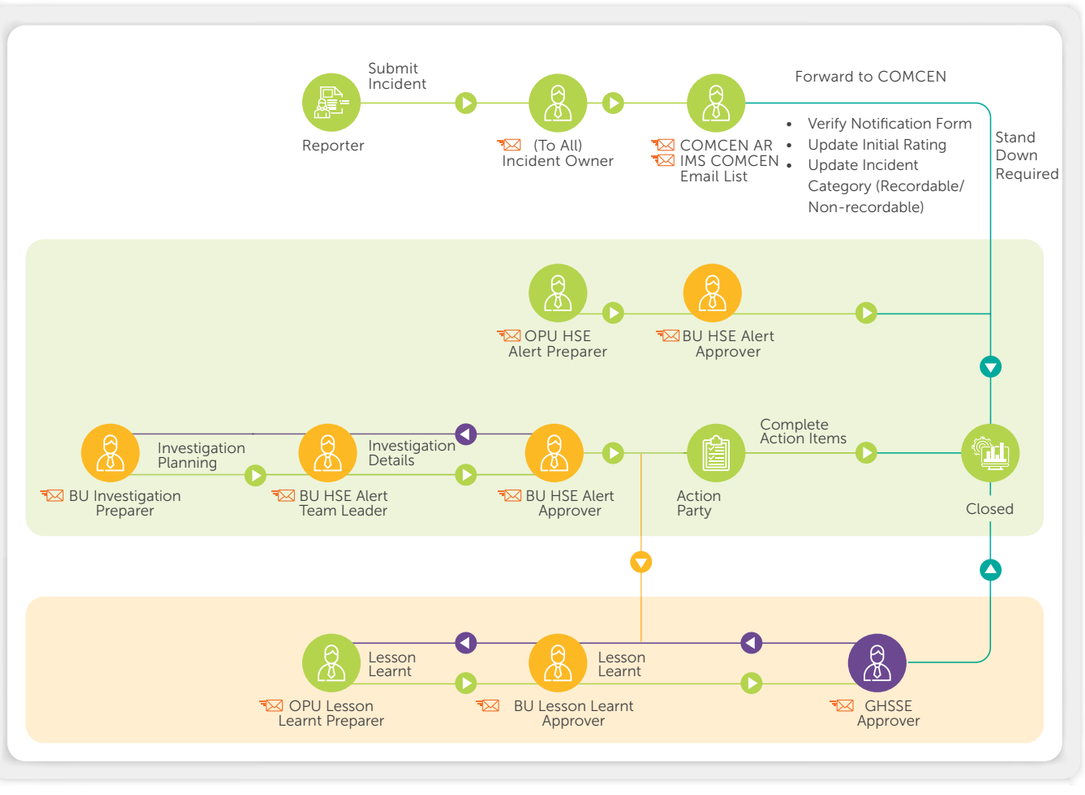
Positive Social Impact
Occupational Safety and Health

Comprehensive Investigation of Accidents and Incidents

PGB adopts a systematic approach to investigating accidents and incidents to ensure learning and continuous improvement across the organisation. All health and safety-related incidents are reported and managed through our centralised HSSE incident management (IM) system, which integrates seamlessly with the Monitoring and Reporting System (MARS) to support consistent tracking and the automated generation of monthly performance reports.

Our investigation process focuses on the identification of root causes, whereby competent personnel conduct root cause analysis (RCA) by applying recognised methodologies to uncover underlying causes and contributing factors, with the objective of preventing recurrence.

Our investigation approach actively involves relevant internal stakeholders and subject matter experts to reach a consensus on corrective and preventive actions, which are tracked to completion. The end-to-end investigation workflow is illustrated in the following flowchart:



Mastering Emergency Preparedness and Response

We respond to emergencies and crises by adhering to the PETRONAS Resiliency Model (PRM), which consists of enterprise risk management, crisis management and business continuity management. Our emergency preparedness efforts are guided by the PRM's Pre-Incident Action Plan (PIAP), which defines response structures, escalation protocols and coordination requirements.

Emergency preparedness is reinforced through regular drills and exercises designed to test readiness, validate response arrangements and identify areas for improvement across manpower, resources planning and processes. Findings from inspections, process safety reviews and asset integrity assessments are incorporated into scenario planning to ensure exercises remain relevant with credible risk profiles.

Full-Scale Emergency Response Exercises

In 2025, PGB conducted a full-scale drill emergency response exercise to enhance coordination between internal and external responders and to validate emergency response capabilities under high-impact scenarios. These exercises were conducted to ensure alignment and effective cross-functional coordination and response of internal and external agencies across multiple levels.

The exercises simulated realistic emergency scenarios, including toxic gas releases and escalation beyond plant boundaries, and involved coordination with district offices, emergency responders and relevant authorities. Digital tools such as the Crisis Management Information System (CMIS), drone surveillance, CCTV monitoring and digital authorisation were leveraged to monitor real site conditions, allowing appropriate decision-making and response.

Tier-2 Emergency Response Exercises

In 2025, PGB conducted four Tier-2 emergency response exercises to test readiness for major pipeline incidents and coordination between internal teams, external agencies and surrounding communities.

Ex-Subang, conducted on 28 September 2025 at SS19, Subang Jaya, simulated a large methane leak that resulted in a fire and explosion along the pipeline ROW. The exercise involved evacuation of residents to designated assembly points, activation of emergency response protocols and management of media and public communications.

Ex-Rimbun, held on 15 November 2025 at Rimbun Vista, Seremban 2, and Ex-Pelangi at Taman Pelangi Indah, Ulu Tiram, on 22 November 2025, engaged District Offices, relevant agencies and local communities, with crisis management conducted in accordance with Arahan National Disaster Management Agency (NADMA) No. 1. These drills reinforced PGB's commitment to public safety, especially to those in the vicinity of ROW.

On 2 October 2025, PGB conducted a bomb threat emergency exercise (Ex-Boomerang) to simulate a worst-case security scenario with a potential impact on surrounding communities due to plant operations disturbance. The exercise was conducted in alignment with official authority protocols to validate response readiness and ensure risks were managed effectively.

During the exercise, the Bomb Threat Incident Action Plan (IAP) was tested and enhanced by incorporating lessons from previous drills and guidance from authorities. Improvements focused on strengthening coordination with external agencies, streamlining communication channels and refining evacuation procedures to support a more structured and robust response.

A key highlight of the exercise was the successful demonstration of remote plant control using the XAGE system, which enabled secure off-site management of critical plant parameters. This capability enabled operational continuity and safety during high-risk situations. Overall, the exercise strengthened PGB's crisis preparedness and reinforced the effective use of digital solutions and inter-agency collaboration to enhance safety and organisational resilience.

Positive Social Impact
Occupational Safety and Health

Emergency Response Team Readiness

To ensure Emergency Response Team (ERT) members remain physically capable to perform their roles effectively, PGB maintains structured measures to monitor and sustain heightened individual fitness. All appointed ERT members undergo periodic medical and fitness assessments, to confirm their capacity to respond safely and effectively during emergency mobilisation.

In addition, we organised Hire Fit, Keep Fit Programme in collaboration with Twin Tower Medical Centre, which comprised:

- Masterclass sessions led by medical and nutrition specialists
- One-to-one consultations with health professionals
- Routine blood tests, InBody analysis and waist measurements
- Continuous glucose monitoring
- Weekly structured physical activity sessions

Engaging Employees for a Safer Workplace

Our employees are encouraged to participate at all levels of our HSE management system, from policy formulation and strategic oversight to on-the-ground execution. This inclusive approach supports shared ownership of safety and reinforces consistent application of safe work practices across the organisation.

In addition to OSH Committees, employees engage directly with senior leadership through regular touchpoints, including a quarterly management get-together led by our MD/CEO, which also focuses on safety and health performance. These engagements provide a platform for two-way communication, enabling employees to raise concerns, share insights and contribute to organisational betterment.

Among the key employee engagement initiatives conducted during the year were:

Townhall Sessions
Permit to Work Approving Authority (AA) and Receiving Authority (RA) Engagement
Unsafe Act and Unsafe Condition (UAUC) Campaign
GTR Community of Practice (CoP)
Safety Management Engagement Session (Operation Safety and Fire Safety) 2025
GC Engagement: Harnessing Inner Strength for Growth
Health Campaigns
Scaffolding Awareness Programme
Communication of Personal Accountability
Engagement With Group Security Regarding Emergency Response Plan
Group Security Engagement

To further empower employees as safety advocates, PGB leverages its Unsafe Act and Unsafe Condition (UAUC) platform, a fully digital system accessible via web and mobile applications. The platform enables employees to report potential safety risks without fear of reprisal, commanding immediate intervention and preventive action.

To encourage meaningful participation, PGB continues to incentivise high-quality UAUC submissions through the "Good Catch" reward programme, which acknowledges employees who demonstrate vigilance by identifying hazards and speaking up on safety issues in the workplace.

In addition, employees carried out First Line Assurance activities in accordance with planned schedules as part of the organisation's self-verification processes. All occupational safety and health incidents recorded in 2025 were formally investigated in accordance with established procedures, with contributing factors identified and corrective actions implemented to prevent recurrence.

During the reporting period, Stop Work Authority was exercised by both employees and contractors where unsafe conditions were observed. Stop work orders raised were reviewed and enforced in accordance with internal requirements, with no individuals reprimanded for exercising Stop Work Authority.

Total UAUC Observations	**10,785**	**HSE First Line Assurance**	**100%**
Incident Investigation Completion	**100%**	**Stop Work Orders**	**161**

Enhancing Workplace Safety Through Education and Accountability

PGB provides extensive HSE training in order to equip our employees with the skills to identify and mitigate hazards, and to ensure they possess the necessary competencies to maintain safety at our worksites.

In 2025, PGB conducted 238 safety and health technical training sessions at operating units. A total of 2,789 employees attended HSE-related training under the HSE Training Matrix plan.

PGB also conducted several general training sessions, which included safety elements for all employees, such as Security Awareness, GC Awareness, ZeTo Rules Violation Awareness, Defensive Driving Training (E-Learning) and Mental Health Awareness.

The following is a list of technical training programmes conducted in 2025, along with the total attendance for each programme:

973 Emergency and Crisis Management	**17** On Scene Commander	**251** Advanced Industrial Fire Fighting	**126** Hazardous Waste	**75** Safe Handling of Chemicals
284 Noise and Hearing Conservation Awareness	**146** Certified First Aider and AED Training	**246** Energy Isolation	**148** Permit to Work	**523** Working at Height

To encourage safety behaviours in our workplace, we implement the HSE Accountability and Behaviour Reinforcement (HSE ABR) programme. The programme recognises employees, directors and third parties who demonstrate positive safety behaviours, while providing constructive reinforcement where unsafe acts or at-risk behaviours are identified.

Four cases of constructive reinforcement for ZeTo Rules violations and 171 instances of positive reinforcement were recorded under the HSE ABR programme.

Positive Reinforcement
Encourage individuals to repeat the Desired HSE Behaviour

Constructive Reinforcement
Influence individuals to modify the Undesired HSE Behaviour

Positive or Constructive Reinforcements

Definite
Identify specific Desired or Undesired HSE Behaviours

Personalised
Identify and acknowledge or intervene specific individual or team that has demonstrated the Desired or Undesired HSE Behaviours

Immediate
Timely recognition or intervention

Visible
(Positive Reinforcement)
Presentation of reward and recognition to be seen by many

Communicate
(Constructive Reinforcement With Formal Discipline)
Share lessons learnt from the Undesired HSE Behaviour

Consistent implementation amplifies and nurtures the Desired HSE Behaviour while dampening the Undesired HSE Behaviour. This inculcates trust and psychological safety, encourages individuals to Speak Up, promotes learning and builds a restorative environment across the organisation.

Positive Social Impact
Occupational Safety and Health

Prioritising Holistic Employee Wellness

We go beyond workplace health and safety by prioritising our employees' overall well-being, offering initiatives that support physical, mental and lifestyle wellness.

Preventive Health Screenings

- Periodic preventive health screenings are available and encouraged for all employees aged 30 and above.
- Employees continue to benefit from insurance coverage for dental and optometry services.

Promoting Active Lifestyles

- **Stay Fit Programme**
  A walking challenge for employees promoted consistent physical activity, with a cumulative target of 230 million steps complemented by healthy eating awareness initiatives.
- **Green Walk**
  Morning walks were conducted within the office compound to encourage regular movement and engagement with nature.
- **GTR Interactive Games**
  Sports and interactive activities were designed to foster team spirit, collaboration and employee engagement.

Mental Health Initiatives

- **Awareness**
  Mental Health Talks and Mental Wellness Moments were conducted to promote awareness on stress management, burnout prevention and emotional well-being.
- **Skill-Building**
  The Mind-A-Care Ambassador programme continued to equip employees with practical tools to support colleagues experiencing mental distress or challenges.
- **Mental Health Check-In**
  A mental health survey was conducted to gauge employee well-being and inform targeted support actions.
- **Flexible Working Options**
  Employees may request up to four work-from-home days per month, subject to superior approval, to support work-life balance and reduce commuting stress.
- **Professional Support**
  Employees continue to have access to professional counselling services through the Employee Assistance Programme.

In 2025, PGB invested RM 1.82 million through the Integrated Health and Occupational Health (IHOH) programme to support employee health and wellness initiatives.

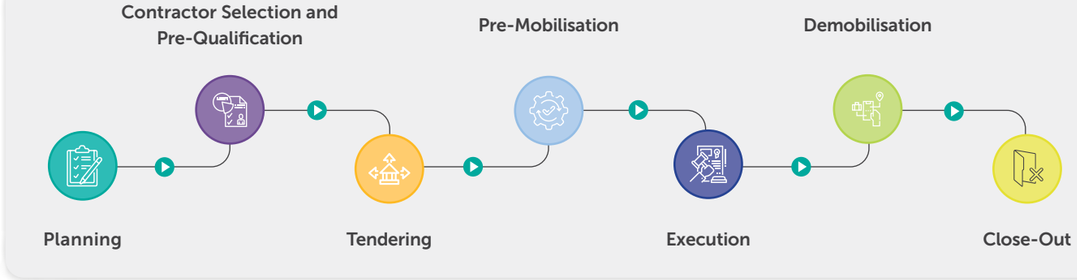
Safeguarding Health and Safety Standards Across Our Supply Chain

We seek to ensure that our HSE standards are consistently applied across our supply chain, recognising that contractor performance has a direct impact on overall safety outcomes. To achieve this, we have implemented the following in our risk mitigation programme:

- **Comprehensive Screening**
  All contractors are required to undergo a detailed pre-requisite screening process before being permitted to enter our premises or commence work.
- **Risk Assessment**
  Appointed contractors must conduct a thorough assessment of their HSE risks using PGB's hazard register or an equivalent system, ensuring hazards are identified and controls are established prior to work execution.
- **Training and Verification**
  Contractors are required to complete mandatory safety and health training and obtain verification through the XPRESS system before site mobilisation.
- **Management Engagement**
  We actively engage contractors' top management to reinforce HSE expectations, maintain clear communication channels and enable timely resolution of identified safety concerns.
- **Performance Evaluation**
  Contractor HSE performance is evaluated through the External Risk Management (Ex-RM) programme, which is aligned with the PTS Contractor HSE Management. This assessment covers both on-site risks and contractors' historical HSE performance.

Depending on the nature and risk profile of each project, contractors are required to adopt PGB's HSE Management System or a comparable HSE Management System. This ensures that critical elements required for the effective operationalisation of HSE Management System controls are in place and implemented throughout the project lifecycle.

To maintain effective oversight, we adhere to a seven-stage contractor management structure, encompassing:

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Positive Social Impact
Occupational Safety and Health

Contractor Health and Safety Engagement Initiatives

PETRONAS East Coast Contractor Forum 2025

PGB spearheaded the PETRONAS East Coast Contractor Forum 2025 (PECCF 2025), held on 16 November 2025 in Kuantan, as a platform to strengthen collaboration and alignment on health, safety and governance expectations across the PETRONAS East Coast operations.

The forum brought together approximately 250 participants, including contractors, operating units and PETRONAS entities in the East Coast region, with participation from relevant authorities such as the Department of Occupational Safety and Health (DOSH) Pahang and the Malaysian Anti-Corruption Commission (MACC) Pahang, reinforcing shared accountability for health and safety performance, contractor governance and operational excellence.

Key Highlights of the Forum

- Improving contractor alignment with PETRONAS HSE standards and expectations
- Sharing insights from recent contractor performance evaluations
- Promoting partnership-driven approach to safety, governance and performance improvement
- Encouraging innovation and digital integration to support safer and more efficient operations

The engagement facilitated meaningful dialogue between PETRONAS and contractors, enabling knowledge exchange and reinforcing leadership commitment to building a safety-first culture across the supply chain.

Overall, the forum reaffirmed PETRONAS' emphasis on collaborative HSE governance, continuous performance improvement and responsible contractor management as part of a resilient and sustainable operating ecosystem.

RGT Partners Engagement 2025

The RGT Partners Engagement 2025, held on 27 October 2025, brought together more than 30 partners to strengthen collaboration with contractors and strategic partners while reinforcing compliance with HSE requirements across both RGT terminals.

The engagement served as a structured platform to reinforce shared responsibilities, enhance operational alignment and promote a consistent safety culture across RGT operations. Through focused discussions, the programme delivered clearer expectations and strengthened partnerships essential for safe and efficient execution of activities.

Key Highlights of the Programme

- Aligning partners with RGT's HSE and operational requirements to ensure consistent adherence to standards
- Reinforcing collective accountability for maintaining a safe, efficient and compliant work environment
- Conveying key updates on site rules, regulatory requirements and upcoming operational priorities
- Encouraging open dialogue to strengthen collaboration and continuous improvement

Overall, the RGT Partners Engagement 2025 reinforced accountability, strengthened working relationships and sustained HSE performance across the RGT value chain.

PPIC Contractor and Company Profiling

PGB implemented PETRONAS Petrochemical Integrated Complex (PPIC) Contractor and Company Profiling as a strategic initiative to strengthen HSE standards across contractor operations within PGB and other PETRONAS Operating Units.

The profiling framework is designed to standardise consequence management across PETRONAS assets, addressing inconsistencies in contractor non-compliance management and deterring unsafe behaviours through clearer accountability mechanisms. By standardising consequence processes, the initiative supports more consistent enforcement, improves understanding among contractors and enhances HSE performance.

Through evaluation of contractor behaviour and compliance history, PPIC Contractor and Company Profiling enables the organisation to identify high-risk individuals and companies, particularly those with a record of or potential for unsafe acts and conditions. This risk-based approach supports informed access control decisions and prevents unsuitable personnel from entering the operational area.

Overall, the initiative promotes a culture of safety and accountability across the supply chain, contributes to the prevention of HSE incidents and supports sustained improvements in contractor safety performance and workplace integrity.

Positive Social Impact
Occupational Safety and Health

Adopting Digital Technology to Improve Safety and Security

Our digital infrastructure enhances safety and security compliance across our operations. Continuing on systems established in previous years, we focused on upgrading proven digital solutions to reinforce safe systems of work, access control and emergency response readiness.

These efforts reflect a deliberate shift from accountability-based controls towards intelligence-led prevention, using digital systems and data insights to enhance preventive controls, reduce reliance on human intervention and sustain safe operations.

Digital Safety and Security Initiatives

New Permit to Work (ePTW+ 2.0) System

Our enterprise-wide electronic Permit to Work (ePTW+ 2.0) system continues to support robust control of high-risk activities through built-in mistake-proofing and gated approvals. The system requires all relevant supporting documents to be attached and authorised prior to permit issuance, ensuring only activities meeting defined safe system of work requirements are permitted to proceed. Role-based access controls further safeguard the integrity of the permit process by preventing unauthorised amendments or approvals.

Facial Recognition System

PGB implements site security and access controls through the deployment of facial recognition technology, which requires all individuals entering our premises to authenticate their identity against registered and approved credentials. The system enables efficient, contactless access for contractors and visitors while preventing credential sharing and misuse. By ensuring that only authorised personnel can enter designated high-risk areas, the system guarantees site security and smoothens site access control.

Crisis Management Information System

Our Crisis Management Information System (CMIS) continues to serve as the central platform for managing emergency exercises and response activities. By digitising crisis management, Emergency Management Team (EMT) members can convene and coordinate in real time regardless of location. Live updates from emergency sites, including CCTV and drone feeds, are integrated into the system, while critical references such as Incident Action Plans, facility layouts and resource listings are readily accessible to support quick and informed decision-making.

Enhancing Facility Security Through Integrated Surveillance Systems

GTR continues to strengthen facility security through the phased deployment of integrated surveillance infrastructure. Since 2020, high-risk stations have been equipped with CCTV systems integrated with Perimeter Intrusion Detection Systems (PIDS) to enable instant intrusion detection and asset protection.

In 2025, coverage was expanded to 54 medium-risk stations through the deployment of cost-efficient local CCTV solutions, improving surveillance capabilities at sites. These systems are monitored remotely via mobile applications, enabling real-time visibility and faster response to potential threats at all times. Equipped with night vision, instant alarm notifications, two-way audio communication and continuous recording, the enhanced CCTV installations allow timely intervention and reinforce security governance across the PGU pipeline network, improving protection of critical infrastructure and surrounding communities.

Our Performance

Workers Covered by the HSE Management System

Our HSE Management System is internally audited and aligned with ISO 45001:2018, ensuring comprehensive coverage for 100% of our employees and contractors. The reporting scope covers all PGB staff, totalling 1,829 as of 31 December 2025. Meanwhile, the number of contractors is estimated around 644,387 unique personnel based on the total man-hours in 2025.

Work-Related Injuries and Fatalities

PGB recorded zero fatality incidents, reflecting the effective integration and application of accountability, hazard and risk management, preventive controls and organisational learning across our operations.

All Employees	Target	2023	2024	2025	Industrial Standard
Fatalities as a result of work-related injury	0	0	0	**0**	American Petroleum Institute (API)
Number of work-related staff/employee fatalities	0	0	0	**0**	
Rate	0	0	0	**0**	American Petroleum Institute (API)
High-consequence work-related injuries	1	0	1	**1**	
Rate	0.09	0	0.24	**0.25**	U.S. Petroleum Industry Workforce Benchmark
Recordable work-related injuries	4	3	1	**1**	
Rate	0.5	0.75	0.24	**0.25**	
Number of hours worked	N/A	4,008,202	4,088,112	**3,966,482**	

All Contractors	Target	2023	2024	2025	Industrial Standard
Fatalities as a result of work-related injury	0	0	0	**0**	American Petroleum Institute (API)
Number of work-related staff/employee fatalities	0	0	0	**0**	American Petroleum Institute (API)
Rate	0	0	0	**0**	
High-consequence work-related injuries		1	2	**0**	
Rate		0.12	0.28	**0**	U.S. Petroleum Industry Workforce Benchmark
Recordable work-related injuries	4	5	3	**1**	
Rate		0.58	0.42	**0.13**	
Number of hours worked	N/A	8,617,090	7,169,875	**7,732,646**	
Estimation number of contractors (Total Man-hours/12 hours a day)	N/A	718,091	597,490	**644,387**	
Lost Time Injury Rate/ Frequency (LTIR/LTIF)	0	0.12	0.28	**0**	

Note:
LTIF value is calculated based on 1 million multiplier as per the DOSH standard.

Positive Social Impact

Occupational Safety and Health

Lost Time Injury

On 26 July 2025, a Lost Time Injury (LTI) occurred when an employee sustained a wrist injury during a manual handling activity involving the lifting of equipment. The incident was investigated and managed in accordance with PGB's procedures.

Following the incident, relevant manual handling requirements identified in a Health Risk Assessment (HRA) were reinforced into Job Packs and communicated during toolbox briefings. This ensured that safe lifting methods and task-specific controls were clearly understood and consistently applied at all sites.

In addition, recommendations arising from the HRA and Advanced Ergonomics Risk Assessment (AERA) were formally communicated to technicians in training sessions. These sessions focused on correct lifting techniques, hand positioning and posture to reduce the risk of musculoskeletal injuries during manual handling activities.

This incident reinforced the importance of embedding risk assessment outputs into training, work planning and execution in line with PGB's commitment to competence development.

Work-Related Ill Health

In 2025, we maintained our track record of zero work-related ill-health cases among our employees and contractors.

All Employees (Staff)	2023	2024	2025
Number of fatalities as a result of work-related ill health	0	0	**0**
Recordable work-related ill-health cases	0	0	**0**

Workers Who Are Not Employees but Whose Work and/or Workplace Is Controlled by the Organisation	2023	2024	2025
Number of fatalities as a result of work-related ill health	0	0	**0**
Recordable work-related ill-health cases	0	0	**0**

Pipeline Incident and Inspection

In 2025, PGB continued its pipeline inspection and integrity management activities to support the safe operation of its gas transmission network, in line with established industry standards. These activities focus on identifying potential integrity threats, assessing asset condition and implementing preventive and corrective actions across the pipeline system.

As part of its inspection and monitoring programme, PGB inspected 100% of its pipeline network, covering approximately 2,675km. Findings were incorporated into maintenance planning and asset integrity management to support operational reliability, public safety and regulatory compliance.

During the year, an unprecedented pipeline safety incident occurred at Putra Heights on 1 April 2025. Findings by the Department of Occupational Safety and Health (DOSH) indicated that the incident was associated with the effects of anthropogenic activities that had not been previously observed in the vicinity of the pipeline corridor. This was recognised as a new and emergent risk that can be brought under control. PGB cooperated fully with the authorities while undertaking the necessary measures to address the situation.

Drawing on lessons learnt from the incident, the Group strengthened coordination with regulators and state agencies, including closer engagement with development and planning authorities near pipeline corridors. The incident reinforced the need for more structured external coordination and communication with relevant stakeholders, recognising that risks affecting pipeline infrastructure may increasingly be shaped by activities beyond the pipeline itself.

Release of Hazardous Materials

In 2025, PGB continued to apply stringent controls to prevent the release of hazardous materials across its operations. We focused on proactive risk identification, robust operational controls and disciplined incident management processes to minimise the likelihood and impact of both accidental and non-accidental releases.

Any occurrences involving hazardous materials are managed through established incident response and investigation procedures to ensure effective containment, mitigation and corrective action. This supports regulatory compliance, safeguards employees and the public while reinforcing the integrity of our assets and operations.

Lagging Indicator Scorecard

Lagging Indicator	Limit/ Target	2023	2024	2025	Industrial Standard
Fatalities	0	0	0	**0**	American Petroleum
Lost Time Injuries	1	1	3	**1**	Institute (API)
Lost Time Injury Frequency	0.13	0.08	0.27	**0.09**	U.S. Petroleum Industry Workforce Benchmark
Major fire	0	0	0	**1**	API Recommended
Major LOPC	0	1	0	**0**	Practice 754
HSE non-monetary sanctions	0	1	0	**5**	ISO 45001:2018 OHSMS and ISO 14001:2015 EMS

Leading Indicator Scorecard

Leading Indicator	Limit/ Target	2023	2024	2025
Unsafe Act, Unsafe Condition (UAUC) total numbers[1]	Not Applicable	31,554	19,859	**10,785**
First Line Assurance implementation – Schedule compliance (%)	85	97	99.9	**98.4**
HSE Mandatory Training[2] **(%)**	100	99.99	100	**93**
Top management HSE Walkabout per leader	1	2	1	**4**
Culture Maturity Survey score[3]	4.5	4.16	4.16	**4.16**
Leading Indicator: Emergency Drill Exercises (%)	100	100	100	**100**

Notes:

1 UAUC submissions have surpassed the target.

2 The completion rate for the HSE Mandatory Training decreased in 2025 due to the introduction of new training. Personnel are in progress to complete the new training based on their assignment.

3 The CMS score has remained the same, as no survey was conducted in 2025.

Positive Social Impact

Occupational Safety and Health

Utilities Kertih

Moving Forward

PGB will continue to improve its safety and health practices by monitoring leading and lagging indicators to drive proactive risk management across the organisation. Our focus remains on maintaining effective controls to mitigate workplace and process safety risks, while sustaining operational reliability across our assets.

We will further reinforce individual accountability and the Generative HSE Culture by engaging employees and contractors closely on HSE-related matters, ensuring clear ownership of risks, consistent application of standards and timely intervention to address identified gaps.

To minimise work-related injuries and prevent incidents, PGB will sustain its emphasis on risk identification and management, continuous learning and training that keep our workforce competent and prepared. These efforts are complemented by initiatives that support employee well-being, recognising its role in allowing the workforce to perform at its best.

PGB will maintain reinforcement of asset management to ensure safe and reliable operations, while building and sustaining stakeholder and public trust through transparent communication and full regulatory compliance.

Positive Social Impact

Sustainable Supply Chain

Why It Matters

PGB plays an important role in supporting Malaysia's Oil and Gas Services and Equipment (OGSE) sector as the industry advances through the energy transition. The Group's supply chain comprises more than 6,000 licensed and registered suppliers, of which majority are SMEs. Many of these suppliers face challenges related to awareness, technical capacity and access to financing when adopting responsible practices across ESG dimensions.

Supplier practices influence workforce welfare, labour standards, environmental performance and governance, all of which affect supply chain reliability and long-term business continuity. Supporting suppliers to strengthen these areas contributes to a more resilient and responsible supply chain that can sustainably support PGB's operations over time.

Supplier development is integrated into PGB's sustainability strategy and aligned with national priorities under the National Energy Transition Roadmap (NETR) and the National OGSE Sustainability Roadmap (NOS-R). Through clear expectations and ongoing engagement, including initiatives under the PETRONAS Supplier Support Programme (PSSP), PGB seeks to promote responsible social practices aligned with its standards and stakeholder expectations.

Our Approach

Establishing Stringent Policies and Standards

PGB's supplier social impact programme is anchored in clear policies and standards that define expectations across the supply chain. These policies and standards are aligned with recognised international frameworks, including the United Nations Guiding Principles (UNGP) on Business and Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

PGB promotes the application of these expectations through relevant policies and codes, including the Contractors' Code of Business Ethics (CoBE) and the Contractors' Code of Conduct on Human Rights (CoCHR), which outline responsible business and human rights practices for suppliers. Our policies and codes are publicly accessible on our website in English and Bahasa Melayu, and are communicated through supplier engagements and industry platforms.

Human Rights Policy

Defines PGB's commitment to respecting and upholding human rights across its operations and business relationships. The policy establishes principles that guide how human rights risks are identified, addressed and managed throughout the supply chain.

Code of Conduct and Business Ethics (CoBE)

Sets out the ethical standards and business practices expected of all business partners, including suppliers. The code promotes integrity, responsible conduct and alignment with PGB's values.

Contractors' Code of Conduct on Human Rights (CoCHR)

Specifies clear standards on ethical conduct and human rights practices applicable to contractors and suppliers. The code addresses key risk areas, including forced labour, child labour, non-discrimination, freedom of association, humane treatment and labour rights. It forms a core component of PGB's supply chain human rights due diligence framework.

Social and Environmental Clause in Supplier Agreements

Embeds specific requirements on health, safety, environmental protection and human rights into supplier agreements. The clause reinforces compliance expectations and provides contractual mechanisms to manage social and environmental risks across the supply chain.

Positive Social Impact

Sustainable Supply Chain

Building Supplier Capability for a Just Transition

Recognising that a significant portion of PGB's suppliers are SMEs at varying levels of sustainability maturity, we aim to enhance suppliers' capacity to adopt sustainable practices within their operations. Our efforts address gaps through enhancing awareness, developing technical capabilities and improving access to resources, enabling suppliers to progressively adopt sustainability practices.

A key enabler of this effort is leveraging the fully-funded PSSP which was launched in August 2024 as a three-year programme that provides a coordinated platform to support suppliers in integrating sustainability into their business operations. While PGB's NZCE 2050 ambition targets Scope 1 and 2 emissions from its operations, the PSSP plays an enabling role by ensuring suppliers are future-ready, recognising that supplier readiness is critical in supporting PGB's journey towards achieving its NZCE 2050 ambition.

The PSSP is delivered through three focus areas:

Capacity Building by UNGCMYB

The PSSP offers tailored, end-to-end training to PETRONAS' licensed and registered suppliers, covering varied levels of sustainability maturity and awareness. The training emphasises four core areas of Human Rights, Emissions Management, Integrity and HSE.

Disclosure Platform by Bursa Malaysia Berhad

To support our suppliers' sustainability journeys, we collaborated with Bursa Malaysia to customise its Centralised Sustainability Intelligence (CSI) Platform for PETRONAS suppliers. The platform serves as a step-by-step guide for sustainability disclosures and is available in both English and Bahasa Melayu to ease sustainability reporting.

Access to Sustainable Financing by Bank Negara Malaysia (BNM) and Other Financial Institutions

The PSSP facilitates access for suppliers to BNM's financing facilities under BNM's fund for SMEs, including the High Tech and Green Facility (HTG) and Low Carbon Transition Facility (LCTF). Additionally, UOB Malaysia has pledged RM1 billion to finance their decarbonisation efforts, while Bank Islam has introduced the Ihsan Financing for Business Resilience, Sustainability and Green Transition (IFiRST) for PSSP-registered suppliers. Other partner financial institutions, like Alliance Bank, RHB and Malaysian Industrial Development Finance Berhad, have also committed to better financing rates for PSSP participants.

Conducting Risk-based Due Diligence and Monitoring

PGB conducts risk-based due diligence and monitoring processes to assess suppliers' alignment with CoCHR across its licensed and registered supplier base. This identification of potential social risks supports management oversights on the application of established policies and standards across the supply chain.

Human Rights Due Diligence (HRDD) is applied to potential and existing contractors registered in the PETRONAS License and Management System (PLMS). For potential contractors, due diligence includes upfront screening and the completion of the CoCHR Self-Assessment as part of the suppliers' onboarding process. Where deemed necessary based on risk, further evaluations either through desk-based reviews or on-site assessments are conducted using industry-recognised standards and methodologies.

In addition, contractors are subject to Know Your Counterparty (KYC) screening, a process to assess key legal and compliance risk areas, including ethics and integrity, sanctions, export controls and data protection. For existing contractors, ongoing monitoring is conducted to verify continued compliance with CoCHR requirements embedded within contractual arrangements.

PGB also maintains accessible grievance and reporting channels to support ongoing monitoring of social and human rights concerns. PGB maintains a primary grievance and reporting channel for social and human rights concerns through its Whistleblowing Hotline, which provides a confidential mechanism for raising issues. Reports may be submitted via email at whistle@petronas.com.my. In addition, PGB provides other avenues to monitor and address social and human rights-related concerns, including HSE grievance mechanisms, the C2C (Connect to Collaborate) platform for contractors to engage with PGB on licensing and procurement matters and sustainability-related reporting channels within Group Procurement.

Driving a Positive Compliance Culture

Our procurement practices are guided by principles of fairness, ethics and accountability, setting expectations for suppliers to align with applicable requirements and standards relevant to their scope of work and risk profile, including those related to HSE, human rights standards and other responsible business practices.

PGB addresses findings of non-compliance identified via CoCHR compliance assessments through the implementation of time-bound corrective action plans designed to address actual or potential adverse human rights impacts. This approach is supported by our governance framework that embeds human rights safeguards within our supply chain processes and provides the mechanism for remediation cooperation in resolution processes.

In applying these corrective measures, PGB prioritises education before enforcement. Rather than disengaging immediately from non-compliant vendors, we provide time-bound support and training to address identified gaps, including capacity building on labour-related requirements and policy implementation. While forced and child labour remain strictly prohibited, compliance with fundamental labour rights is expected of all suppliers.

Our Performance

Proportion of Spending on Local Suppliers

Local suppliers, defined as companies incorporated in Malaysia, form a significant part of PGB's procurement activities. In 2025, 99% of procurement spend was directed to Malaysian companies, contributing to domestic participation and national supply chain resilience.

Providing Robust Supplier ESG Training

In 2025, PGB delivered supplier ESG training and engagement activities under the PSSP to strengthen supplier sustainability knowledge and readiness. These activities reached 850 supplier companies and involved 1,320 individual participants across training sessions.

Key Highlights

1,022
companies cumulatively registered via ESG START Maturity Assessment.

55 sessions (cumulative)
32 sessions (in 2025)
Virtual and in-person engagement sessions.

4.7 out of 5 average satisfaction rating achieved from engagement sessions.

95% average improvement in sustainability knowledge reported across training participants.

Current PSSP status:

- Beginner: **520** companies
- Intermediate: **209** companies
- Advanced: **293** companies

PSSP progression in 2025:

- Beginner to Intermediate: **43**
- Beginner to Advanced: **28**
- Intermediate to Advanced: **27**

Enhancing Internal Capabilities to Support Supplier ESG Progress

In 2025, building on the comprehensive internal training conducted in 2024, PETRONAS continued its internal capability-building efforts by conducting targeted buyer training for 131 personnel from Group Procurement. As procurement services for PGB are centralised under Group Procurement, training participation is governed and monitored at the Group level to ensure consistency and oversight across operating units.

The training strengthened buyers' understanding of human rights due diligence and consequence management, supporting risk-based identification and management of supplier non-compliance. This effort supports PETRONAS' ongoing commitment to building internal capability and promoting accountable, sustainable practices across the supply chain.

Supplier Social Assessments

In 2025, supplier social assessments were conducted through the completion of the CoCHR Self-Assessment, which requires contractors to attest to compliance with CoCHR requirements, including explicit adherence to the prohibition of forced labour and child labour.

Through this process, 4,775 out of 6,330 PLMS-registered companies assessed for social impacts completed the CoCHR Self-Assessment and attested to full compliance with the PETRONAS Contractor CoCHR. This provides PGB with a baseline view of supplier compliance with key human rights expectations across the suppliers registered in the PLMS.

Suppliers that had not completed the assessment were subject to system controls within PLMS until submission. To support compliance, PETRONAS conducted 15 supplier engagement sessions on human rights, including awareness programmes under PSSP and targeted engagements with suppliers that had identified gaps to facilitate corrective actions and resubmissions. As a result, 58% of suppliers previously assessed as having potential gaps improved to lower-risk categories.

Moving Forward

Moving forward, we will deepen engagement with suppliers to strengthen ESG awareness, capabilities and compliance across our value chain. By fostering collaboration and continuous improvement, we aim to build a responsible, resilient and future-ready supply network that supports sustainable growth.

Positive Social Impact
Community Engagement

Why It Matters

Community engagement is a core element of how PGB fulfils its responsibilities as a leading infrastructure company and contributes to sustainable development across the nation. Our operations intersect with diverse communities, making it essential for us to act responsibly, understand local contexts and respond to the needs of those affected by our activities.

Through effective engagement with communities, we gain insights into social and environmental challenges faced by communities, particularly the underserved and vulnerable groups. These insights guide the development of our social impact initiatives, ensuring they are relevant, targeted and aligned with genuine community priorities rather than one-off contributions.

Partnerships with NGOs play an important role in strengthening programme implementation and accountability, enabling us to reach communities more effectively and address priority areas such as education, resilience and inclusive socio-economic development. Collectively, these efforts reflect our role as a responsible organisation, support trust with stakeholders and create sustainable, long-term value for communities and the Group.

Our Approach

Framework and Focus Areas

Our social impact activations are guided by the Social Impact Management (SIM) Framework, which provides a consistent approach to managing community engagement across the Group. The framework focuses on fostering sustainable livelihoods and community resilience, while enabling communities to adapt and respond to evolving social and environmental challenges.

The SIM Framework remains aligned with PGB's strategic agenda, ensuring that community initiatives are integrated with business priorities and deliver shared value for both the Group and the communities in areas where we operate.

In 2025, PGB emphasised trust-building, transparency and responsive engagement following the Putra Heights incident. Our approach was to prioritise effective communication, timely information sharing and closer collaboration with affected and concerned communities, as well as relevant authorities, to support long-term community confidence and resilience.

This enhancement is operationalised through PGBConnects, a community-first engagement programme designed to ensure clear information flow, visible care and transparent updates. PGBConnects reinforces our commitment to uphold responsible engagement, particularly in communities located near critical infrastructure and Right-of-Way (ROW) areas.

Under PGBConnects, targeted initiatives were implemented under the following programmes to address immediate and longer-term community needs:

TENANG

Held in collaboration with Naluri, a digital mental health and well-being platform, to provide mental health support and build emotional resilience among affected individuals and families

LAMAN

LAMAN Claim & Connect serves as a centralised platform to facilitate claims submission, documentation, and engagement with affected residents of the Putra Heights incident.

Awareness and Action (AnA)

This programme focuses on strengthening community readiness through practical safety awareness, structured engagement sessions, and emergency response simulations conducted in collaboration with relevant authorities.

In parallel, PGB proactively engages with state authorities to reemphasise the importance of the Peninsular Gas Utilisation (PGU) pipeline. These engagements support collaboration on surveillance enhancements and enable PGB to contribute more effectively to state-level development planning, particularly in managing safety risks arising from development activities near ROW areas.

Social Impact Activations

Powering Knowledge

WeHelp 2025 Programme

The WeHelp 2025 Programme focused on supporting STEM education for students in Sabah through targeted educational assistance in collaboration with Human Capital Investment and Group Human Resources Management to address identified learning needs within local communities.

Under the programme, PGB contributed RM19,944.00 towards the procurement of scientific calculators, which were distributed to selected students to support their participation in STEM-related subjects. Access to appropriate learning tools is an important enabler of classroom engagement and confidence, particularly for students from underserved communities.

Contribution towards laboratory equipment for SMK Sindumin, Sipitang, Sabah

In line with the Ministry of Education's objective to strengthen STEM education, PGB contributed RM20,000.00 towards new laboratory equipment for SMK Sindumin, Sipitang, Sabah under the Sekolah Angkat Madani programme. The contribution was aimed at enhancing the school's science laboratory facilities to support a more conducive and interactive learning environment.

This initiative supports efforts to improve the quality of STEM education and develop future-ready students by strengthening access to practical learning resources. PGB collaborated with Yayasan PETRONAS to deliver the contribution.

PRESTIGE 2025 Programme

PRESTIGE 2025 was a university student engagement programme organised by the Malaysian Gas Association (MGA) to support the development of young talent for Malaysia's gas and energy sector. The programme covered topics including the natural gas value chain, key industry activities and future outlook, with additional focus on energy sustainability, the energy transition and the energy trilemma.

The three-day programme also aimed to build awareness of the role of natural gas within the nation's energy system and its contribution to the economy and societal well-being, providing participants with a broader context on the evolving energy landscape.

PGB contributed RM10,000 to the programme, while our representatives shared industry perspectives with 60 students from eight universities across Sabah and Sarawak, supporting sector literacy and STEM-related awareness among future graduates.

Tutoring for Asnaf SPM Students

Building on the 2024 programme, the tutoring for Asnaf SPM students initiative was expanded in 2025 to deliver 100 hours of tuition over a three-month period. The programme was supported by 17 PGB employees, who volunteered as tutors, alongside two class coordinators to ensure consistent delivery and coordination.

The initiative targeted underprivileged students from SMK Kerteh and SMK Rantau PETRONAS, with 60 students selected to participate. Tuition sessions were designed to support subject comprehension and exam readiness in preparation for the SPM examination.

In 2025, the programme was further enhanced through the introduction of a Mathematics Preparation Boot Camp, aimed at strengthening students' basic understanding of mathematical concepts and building confidence in foundational skills.

Yayasan UTP

PGB contributed RM30,000 to Yayasan UTP in support of efforts to empower future talent through education, including the advancement of research, innovation and holistic student development at Universiti Teknologi PETRONAS. The contribution was given through the Yayasan UTP Charity Golf 2025.

Sponsorship of Students in Technical Energy Enrichment Programme (TEP)

During the year, we expanded our sponsorship under the TEP, supporting 27 additional students to increase the total number of sponsored students to 165.

Positive Social Impact
Community Engagement

Uplifting Lives

Uplifting Lives during Festivities

PGB supported underserved communities during major festive periods through targeted assistance in collaboration with PETRONAS regional offices and relevant partners.

In Perak, PGB collaborated with the PETRONAS Central and Northern Regional Office (PCANO) and Jabatan Kebajikan Masyarakat Malaysia (JKM) to support communities in Parit Buntar, contributing RM6,500 as part of a combined effort that benefited 150 individuals.

During Aidilfitri, festive assistance was extended to communities in Kertih, Paka and Gebeng, with PGB contributing RM12,000 to support 60 targeted beneficiaries in areas where the company has an operational presence. A separate Aidilfitri initiative in Melaka was carried out in collaboration with the PETRONAS Southern Office (PSO), where PGB contributed RM1,100 as part of a broader programme benefiting 150 underserved community members.

In conjunction with Deepavali celebrations, PGB partnered with the PCANO and Yayasan PETRONAS (YP) to support communities in Sungai Petani, Kedah. PGB contributed RM15,000 towards the initiative, benefiting 60 individuals.

GPU Free Market

GPU Free Market is an employee-led donation initiative organised for the third consecutive year, where pre-loved items in good condition are collected and made available to individuals in need. In 2025, the programme was supported by 25 GPU employee volunteers from various departments who collectively planned, coordinated and executed the initiative.

Planting Tomorrow

PGB–Yayasan Hijau Malaysia (YHM) Solar Programme

The YHM Solar Programme is a collaboration aimed at promoting the adoption of renewable energy solutions within community and public spaces. In 2025, the programme delivered its first solar installation at Terminal Masjid Tanah Sentral in Melaka, which was completed on 16 October 2025.

The installation comprises 36 solar panel units with a total capacity of 22.14 kWp. Based on the actual electricity bill comparisons, the system is estimated to deliver average monthly savings of 24%, benefiting tenants and users of the bus terminal located in Alor Gajah, Melaka.

GPU Hatch & Hope, Turtle Conservation and Information Centre

GPU Hatch & Hope is a conservation initiative implemented at the Ma' Daerah Turtle Conservation and Information Centre in Kertih, focusing on the protection of sea turtles, a threatened species native to the Terengganu coastline.

In 2025, the initiative supported direct conservation actions, including the release of approximately 150 turtle hatchlings as part of ongoing species preservation efforts. The programme also included refurbishment works at the conservation centre to ensure a conducive environment, attract more visitors and promote greater awareness of turtle conservation.

East Coast Beach Cleaning (EcoCoast)

GPU spearheaded the EcoCoast Beach Cleaning initiative in collaboration with East Coast KIPC members as part of its efforts to safeguard the coastal environment. The programme was conducted simultaneously across Pantai Petak, Pantai Sungai Muara Kertih and Pantai Tampin, covering an approximate coastline stretch of 5.6km.

The initiative resulted in the collection of 1.78 tonnes of waste across the coastline covered, with recorded participation from 487 individuals. Participants included employees from PETRONAS subsidiaries, representatives from key stakeholders such as the Department of Environment (DoE), Tourism EXCO, local representatives of Paka and Kemasik and the Municipal Councils of Kemaman and Dungun, as well as schools including SMK Rantau, SMK Kerteh and SMK Paka, alongside members of the public.

Hari Alam Sekitar Negara at the State Level

PGB collaborated with the DoE to support *Hari Alam Sekitar Negara* at the state level in Terengganu and Johor. The initiative aimed to raise environmental awareness and education, while encouraging communities to share a sense of responsibility for environmental protection and conservation. On 8 November 2025, PGB contributed 200 seminar kits for *Seminar ke Arah Melakar Kehidupan Lestari* at Majlis Sukan Negeri Terengganu, which was officiated by YB Datuk Razali bin Idris.

The annual event also served as a platform to highlight the contributions of organisations and community groups involved in environmental initiatives. In 2025, the GPU Division, alongside East Coast subsidiaries, participated at the enterprise level to showcase PGB's sustainability efforts, while GTR collaborated with Majlis Bandaraya Pasir Gudang (MBPG) to organise a day-long community activity in Johor.

Supporting Employee Volunteerism

We actively encourage our employees to volunteer for our community-based initiatives, fostering a culture of volunteerism that supports both personal growth and local development. Through PGB's employee career system, employees can conveniently browse and register for projects and volunteer teams, contributing their time and skills to meaningful causes.

In addition to our in-house initiatives, we extend approval to employees who wish to participate in volunteerism or recreational activities with organisations outside PGB. Employees who volunteer, are appointed, or elected to serve in such capacities are required to seek approval from their Head of Department, in consultation with HR, immediately upon their appointment. This ensures that they can balance their responsibilities within these roles alongside their full-time employment commitments.

Furthermore, PGB's Volunteer Programme Leave enables employees to contribute their time and skills to external activities, such as working closely with NGOs and volunteering at the temporary evacuation centres during the Putra Heights incident. Other activities include:

- Recreational activities, such as sports
- Membership or service in local bodies, including Jabatan Sukarelawan Malaysia (RELA) and Jabatan Pertahanan Awam Malaysia (JPA3)
- Councils and societies like Majlis Kanser Nasional (MAKNA) and The National Autism Society of Malaysia (NASOM)

Our Performance

Group Donations or Investments Made to Registered Not-For-Profit Organisations

PGB donations and investments are directed to registered non-profit organisations, reflecting our recognition of the important role communities play in supporting sustainable business outcomes. We focus on directing financial support towards initiatives that benefit community well-being and contribute to socio-economic development.

Through targeted contributions aligned with our sustainability priorities, we seek to support credible partners in delivering positive social and environmental impacts, while ensuring that all donations and investments are managed with appropriate governance and accountability.

Year	Non-profit Organisation	Total Donation (RM)
2023	PETRONITA	3,760
	Cancer Research Malaysia	10,000
	Rumah KIDS	17,968
	Yayasan Hijau Malaysia	29,190
2024	Persatuan Veteran Bomba dan Penyelamat Malaysia	12,000
	Cancer Research Malaysia (CRMY)	10,000
	Bursa Malaysia	10,000
	PETRONITA	6,490
2025	Yayasan Hijau Malaysia	**118,226.25**
	Yayasan UTP	**30,000**

Total Community Investment and Number of Beneficiaries

The table below summarises PGB's total community investment and the number of beneficiaries reached over the past three years. The data provides an overview of the scale of financial contributions and the extent of community reach achieved through PGB's community engagement initiatives.

Year	Total Amount Invested in the Community[1] (RM)	Total Number of Beneficiaries of the Investment in Communities
2023	5,232,621.00	12[2]
2024	5,723,449.54	1,548
2025	3,885,598.25	784

Notes:
1 Contribution to the affected communities during Putra Heights incident mentioned in our PGB Integrated Report.
2 Includes organisations and individual beneficiaries.

Moving Forward

PGB will continue to strengthen its community efforts through the three pillars of the SIM Framework, with programmes implemented across the areas in which we operate. Building on existing initiatives, our focus remains on delivering consistent, relevant and well-governed community programmes that respond to local needs while supporting positive social and environmental outcomes. As we move forward, we will further enhance our community engagement approach by deepening collaboration with partners, encouraging greater employee participation and identifying opportunities to scale initiatives that demonstrate sustained value.

Responsible Governance

We set and uphold the highest standards of business ethics, accountability and security to sustain stakeholder trust and guide the responsible transformation of our business in an evolving energy landscape. This includes enforcing rigorous policies, being proactive in risk mitigation and delivering structured training to strengthen business integrity and reinforce cybersecurity resilience. Our sound and informed leadership continues to guide us in anticipating industry developments, safeguarding our competitiveness and positioning our business for long-term relevance in the energy transition.

UN SDGs that are key to us:

Business Ethics and Transparency

Why It Matters

In our commitment to upholding ethical and transparent business conduct, we remain guided by our Shared Values of Loyalty, Integrity, Professionalism and Cohesiveness. These principles shape how we operate, strengthening stakeholder confidence, supporting employee satisfaction and helping to preserve our organisational reputation and brand equity.

As Malaysia's leading gas infrastructure and centralised utilities provider, maintaining responsible ethical practices also reinforces our relationships with stakeholders and supports PGB's role in the regional energy transition, contributing to sustainable growth and value creation.

Our Approach

Driving Ethical Conduct With Robust Policies

PGB drives ethical practices across its operations and value chain by rigorously enforcing a comprehensive set of policies that collectively uphold good governance, inculcating a culture of integrity, transparency and accountability.

Anti-Bribery and Corruption (ABC) Manual

Sets clear expectations for employees and third parties to prevent improper solicitation, bribery and corruption, reflecting our zero-tolerance policy towards such activities

Code of Conduct and Business Ethics (CoBE)

Establishes the standards of behaviour and ethical practices expected from employees and others working on behalf of the Group

Whistleblowing Policy

Provides a secure channel for employees and the public to report improper conduct involving the Group while ensuring protection for whistleblowers in line with policy procedures

Directors' Fit and Proper Policy

Defines the qualities, competencies and experience required of Board members to effectively fulfil their duties and responsibilities

Corporate Disclosure Guide

Ensures compliance with Bursa Malaysia's Main Market Listing Requirements (MMLR) and Corporate Disclosure Guide (3rd Edition), guiding the accurate and transparent dissemination of information

Responsible Governance

Business Ethics and Transparency

Sustaining Compliance Through Awareness Efforts

To sustain adherence to our ethical standards, we offer continuous learning opportunities through various initiatives, such as training and awareness programmes. This includes sending regular email bulletins that highlight ethical practices, with reminders on door-gift protocols, explanations of common corruption risks and guidance on the proper use of whistleblowing channels. Additionally, legal compliance modules have been made accessible for all employees via the myLearningX platform, with regular reminders to notify them of updates and newly released modules.

These initiatives reinforce understanding of CoBE, strengthening awareness of company policies while ensuring employees remain informed of current integrity standards and industry practices. In 2025, integrity awareness programmes were conducted for employees, contractors and business partners.

Integrity Awareness Initiatives

- **Gas and Power Sabah/Labuan Projects Contractors and Partners Summit (22 August 2025)**
  The summit was held to instil a culture of shared responsibility for upholding integrity and workplace safety across all stakeholder groups.
- **PGB's monthly bulletin (10 September 2025)**
  The bulletin featured an integrity awareness edition that highlighted the corporate liability provision involving commercial organisations under Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act.

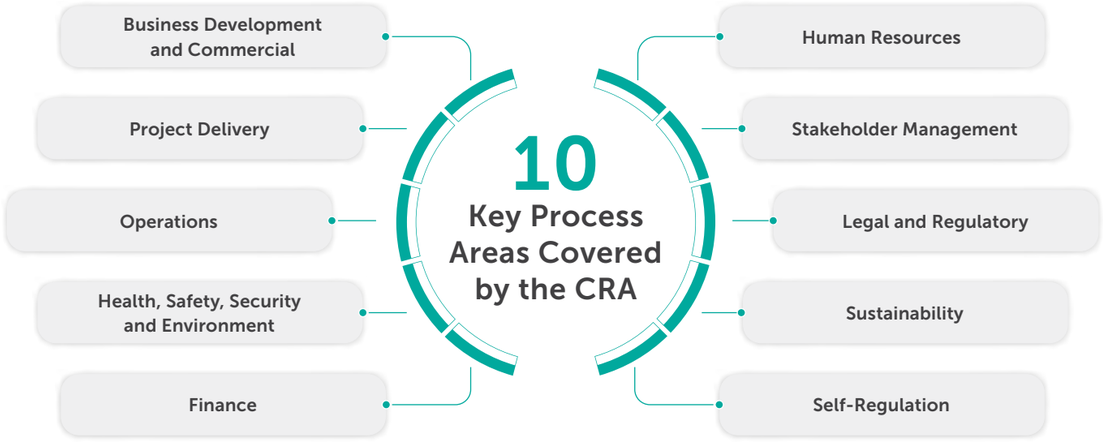
Legal Compliance X Modules

- Anti-Bribery and Corruption (ABC) Manual
- Personal Data Protection and Privacy Compliance
- Third Party Risk Management (TPRM)
- Introduction to Sanctions
- Introduction to Export Control
- Introduction to Competition Law

Strengthening Oversight With Corruption Risk Assessments

We conduct Corruption Risk Assessments (CRA) across our operations to strengthen oversight of corruption-related risks and uphold high standards of ethics and integrity. The CRA assesses our exposure to inbound and outbound bribery and other corruption risks as outlined in our policy documents.

Identifying and analysing risks across key business functions using the CRA enables us to roll out controls and procedures that address specific vulnerabilities within our supply chain and business relationships. We are pleased to report that we have completed the required mitigation actions across our operations, strengthening our integrity practices and enhancing our overall approach to corruption risk management.



Our Performance

Communication and Training on Anti-Corruption Policies and Procedures

We uphold our commitment to anti-corruption by ensuring that all Board members and employees receive clear communication on our anti-corruption policies and procedures through briefings and training programmes. Our ABC Manual is publicly available on our corporate website, providing employees, Board members and external stakeholders with easy access to key policies and guidance. In addition, we continuously conduct engagement and refresher sessions to further reinforce awareness, supporting consistent adherence to our anti-corruption standards across the organisation.

Percentage of Board Members and Employees Informed of Anti-Corruption Policies and Procedures

Board Members	All Employees
100%	99%

Percentage of Board Members and Employees Trained on Anti-Corruption Policies and Procedures

Board Members	All Employees
100%	99%

Incidents of Corruption and Remedial Actions

In 2025, we maintained our record of zero confirmed incidents of corruption, including no contract terminations or non-renewals with business partners due to violations. In addition, there are no ongoing public legal cases involving the company or our employees related to corruption.

Legal Action for Anti-Competitive Behaviour, Anti-Trust and Monopoly Practices

In 2025, there were zero reported incidents of anti-competitive behaviour, antitrust violations or breaches of monopoly legislation involving PGB. Within the context of our business, no legal proceedings were reported concerning federal pipeline and storage regulations. This includes matters related to rates, pipeline access, price gouging or price fixing.

Political Contributions

PGB made **zero** political contributions in 2025

Moving Forward

We aim to continuously strengthen our approach to business ethics and transparency by regularly evaluating our performance against policies and procedures, while also investing in training that enhances awareness and compliance across PGB.

Employees will continue to participate in refresher sessions on the CoBE, along with focused training on key ethical considerations and relevant regulatory requirements. At the same time, leaders will be provided with customised training on ethical conduct in industrial relations, ensuring that high standards of integrity are consistently applied in both internal operations and external engagements.

Responsible Governance
Cybersecurity and Data Privacy

Why It Matters

As PGB diversifies its business portfolio, cybersecurity and data privacy has become a core pillar of its governance framework, safeguarding its assets, systems and customer data amid the heightened sophistication of cyberthreats.

We strengthen cyber resilience and mitigate risks by implementing a robust cybersecurity governance framework and data privacy policy, supported by purpose-fit technologies that enhance our security posture. These measures safeguard our business operations and reputation as a forward-looking and trustworthy organisation, thereby strengthening stakeholder confidence.

Our Approach

Upholding Cybersecurity and Data Privacy Through PETRONAS' Rigorous Framework

We adhere to the PETRONAS Enterprise Cybersecurity Governance Framework, which sets out guidelines and standards that collectively govern cybersecurity. The framework ensures clear accountability and compliance with globally recognised best practices, including the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF), ISO 27001: Information Security Management Systems (ISMS), Security for Industrial Automation and Control Systems (ISA/IEC) 62443, Information Security Forum — Information Risk Assessment Methodology 2 (ISF-IRAM 2) and NIST SP 800-30.

To ensure data privacy protection, we remain guided by the PETRONAS Corporate Privacy Policy, which outlines the principles and guidelines for the collection, use, processing and storage of personal data. The policy is aligned with the Malaysian Personal Data Protection Act 2010 (PDPA) and the European Union's General Data Protection Regulation (GDPR). It upholds the fair and lawful collection and processing of personal data, ensures transparency on data use and individual rights and enforces stringent security measures to prevent unauthorised access, disclosure or misuse of personal data. The policy is applicable to all PGB employees and third-party service providers engaged in managing personal data on PGB's behalf.

Beyond adhering to the framework and policy, we work closely with PETRONAS to implement systems and approaches that further strengthen our security posture and resilience against cyber and data privacy threats. They include:

Security Posture and Resilience Against Cyber and Data Privacy Threats

- **Cybersecurity Capability Maturity Model (C2M2)**
  Assesses and drives continuous improvements in our cybersecurity maturity level, ensuring readiness against evolving threats
- **Security Information and Event Management (SIEM)**
  Enables real-time monitoring and detection of cyber threats, enhancing our ability to proactively mitigate potential security breaches
- **Enterprise Risk Management Framework**
  Outlines structured processes to identify, assess and remediate control gaps in PETRONAS systems and applications, strengthening system resilience
- **Cybersecurity Incident Response Plan (CIRP)**
  Provides a clear set of actions for teams to effectively respond to cyber incidents, minimising potential damage and ensuring timely recovery
- **Personal Data Breach Response Plan**
  Establishes best practices for managing data breaches to mitigate negative impacts and protect stakeholders' information

Advancing Readiness for the Cyber Security Act 2024

Malaysia's Cyber Security Act 2024 (Act 854) came into operation on 26 August 2024, together with four supplementary regulations. The Act contains key measures to safeguard National Critical Information Infrastructure (NCII) and protect Malaysians from cyber threats, while the regulations set out the requirements for periodic risk assessments and audits, incident notifications, compounding of offences and licensing of service providers.

In preparation for the Act, PETRONAS, as the appointed Sector Lead for the Energy Sector, is developing criteria for NCII classification, identifying NCII entities within the PETRONAS Group and establishing a Code of Practice for designated entities. PGB will maintain adherence to PETRONAS' cybersecurity standards and monitor emerging regulatory developments. By proactively aligning with the Act, we further strengthen our cybersecurity posture, ensure regulatory preparedness and position ourselves for smooth compliance should we be designated as an NCII entity in the future.

Driving Effective Risk Management and Mitigation

We protect personal data by implementing robust technical and organisational measures that limit the risk of unauthorised access, disclosure and misuse while ensuring adherence to stringent data protection requirements. This includes conducting data protection impact assessments when necessary to identify potential privacy risks and emerging vulnerabilities. The findings from the assessments inform decision-making as we continually strengthen our processes and resilience, reinforcing the integrity of our data management approach.


Gas Processing Kertih

In 2025, we further enhanced our data protection management by appointing a Data Protection Officer (DP Officer) on 1 June 2025. The appointment complies with Section 12A of the Personal Data Protection (Amendment) Act 2024, which requires organisations to appoint one or more DP Officers if certain thresholds are met. The objective is to reinforce robust personal data management practices, enhance organisational accountability and strengthen public trust in the handling of personal data. Subsequently, a Data Privacy Focal was also appointed to support the Data Protection Officer and serve as a liaison on all matters related to data privacy.

Empowering Employees to Safeguard Assets

Recognising the essential role employees play in safeguarding organisational assets, we conduct awareness training sessions to reinforce key principles of cybersecurity, data privacy and individual responsibilities. The training programmes ensure that employees remain informed, vigilant and equipped to uphold our cybersecurity and data protection standards.

In 2025, several cybersecurity training programmes were conducted for employees. Permanent employees completed the "Cyber Security and You Refresher Assessment 2025", an e-learning module and assessment assigned via the myLearningX platform. By 17 September 2025, 1,693 employees had completed the assessment. Meanwhile, 255 business partners and interns attended Cyber Security 101 training.

Our Performance

Incidents of Personal and Customer Data Privacy Breaches

In 2025, we continued to demonstrate exemplary standards in protecting personal and customer data, with zero substantiated complaints concerning breaches of data privacy across our operations.

Moving Forward

Driven by our commitment to navigating the evolving cyber risk landscape, we continue to improve our security measures and enhance risk monitoring to proactively mitigate emerging threats, ensuring sufficient protection for our stakeholders and operations.

Moving forward, we will assess the viability of emerging technologies and their capacity to meet the cybersecurity and data privacy needs of our expanding operations and increasingly diverse growth portfolio. Regular security audits and assessments will continue to play a key role in identifying and addressing vulnerabilities in a dynamic cyber threat environment. In addition, we will further strengthen employee training programmes to ensure our workforce is well-equipped to manage evolving cybersecurity and data privacy challenges.

Independent Limited Assurance Statement

LRQA Independent Assurance Statement

Relating to PETRONAS Gas Berhad's Sustainability Report for the Reporting Year 2025

This Assurance Statement has been prepared for *PETRONAS GAS Berhad* in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

LRQA INSPECTION MALAYSIA SDN. BHD. (LRQA) was commissioned by PETRONAS Gas Berhad (PGB) to provide independent assurance on its Sustainability Report 2025 titled, 'Progressing with Resilience' against the assurance criteria below to a "level of assurance and materiality" using LRQA's verification procedure. *LRQA*'s verification procedure is based on current best practice, is in accordance with ISAE 3000 (revised)[1] and uses the following principles of - inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered the operations and activities of PGB organisation that included following assets based in Malaysia:

- Gas Processing and Utilities (GPU) plants
- Gas Transmission and Regasification (GTR) including regional offices and
- PGB subsidiary (Pengerang LNG (Two) Sdn Bhd and Regas Terminal (Sg. Udang) Sdn Bhd)

Our assurance engagement excluded joint venture and associate companies and those of PGB's suppliers, contractors and any third parties as well as any financial statement information or financial data derived from PGB's audited financial statements mentioned in the report.

Our assurance engagement specifically covered the following requirements:

- Bursa Malaysia Listing Requirements, including the requirement to apply IFRS S1 and IFRS S2 as the baseline sustainability reporting standards for listed issuers
- The World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) issued greenhouse gas (GHG) protocols detailed as under:
  - GHG Protocol: Corporate Accounting and Reporting Standard (Revised Edition) for Scope 1 and Scope 2 emissions.
  - GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard for the selected material Scope 3 categories.
- GRI Standards, as applicable to the selected disclosures and evaluating the accuracy and reliability of data and information for only the selected indicators listed below: [2]
  - Environmental : Sustainability Value Creation (GRI2, GRI3), Energy Management (GRI 302-1, GRI 302-3, GRI 302-4), Climate Change Management (GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5), Pollution Management (GRI 305-7; GRI 303-4), Waste Management (GRI 306-3, GRI 306-4, GRI 306-5), Water Management (GRI 303-3, GRI 303-4, GRI 303-5), Biodiversity Management (GRI 304-1, GRI 304-2, GRI 304-3, GRI 304-4, GRI 101),
  - Social : Human Rights (GRI 406-1, GRI 2-25), Equal Opportunity, Diversity & Inclusion (GRI 405-1, GRI 2-9), Talent Management (GRI 404-1, GRI 404-2, GRI 404-3, GRI 401-1, GRI 2-7), Occupational Safety & Health (OSH) (GRI 403-5, GRI 403-9, GRI 403-10), Sustainable Supply Chain, (GRI 204-1, GRI 308-1/308-2, GRI 414-1/414-2), Community Engagement (GRI 413-1)
  - Governance: Business Ethics & Transparency (GRI 205-1, GRI 205-2, GRI 205-3; GRI 2-23, GRI 2-24), Cybersecurity & Data Privacy (GRI 418-1)
- PGB's internal reporting methodologies for the selected datasets.
- PETRONAS Group's internal sustainability governance frameworks.

LRQA's responsibility is only to *PGB*. LRQA disclaims any liability or responsibility to others as explained in the end footnote. PGB's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Sustainability Report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by and remains the responsibility of *PGB*.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that *PGB* has not, in all material respects:

- Met the requirements of the criteria listed above
- Disclosed accurate and reliable performance data and information as summarized in Table 1 below
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is inherently less than for a reasonable assurance engagement.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Reviewing PGB's process for identifying and determining material issues to confirm that the right issues were included in their Report.
- Reviewing the reporting processes at Headquarters and at each of the functional business levels to evaluate the process used by PGB to assure completeness, consistency and conformance to reporting requirements across its global operations.
- Reviewing the stakeholder engagement processes.
- Reviewing the process used to aggregate the data and information at the corporate level for inclusion in the report.
- Reviewing PGB's data collection tools to assess use in the reporting processes.
- Reviewing the data reporting process at as sample of operating assets selected by LRQA to assess local understanding and implementation of reporting requirements.

[1] Assurance Engagements Other than Audits or Reviews of Historical Financial Information
[2] GHG quantification is subject to inherent uncertainty.

Independent Limited Assurance Statement

Observations

Further observations made during the assurance engagement, are:

- Stakeholder inclusivity:
  We are not aware of any key stakeholder groups being excluded from PGB's engagement processes. Transparency could be further enhanced by more clearly disclosing how engagement with business partners and contractors is undertaken, particularly in the areas of cybersecurity awareness, and supplier ESG capability development.
- Materiality:
  No material topics appear to have been omitted from the report. Nevertheless, opportunities remain to enhance completeness and consistency for certain material indicators, particularly through strengthened GHG data reconciliation, more consolidated water and waste reporting, and clearer disclosure of methodologies for biodiversity-related assessments.
- Responsiveness:
  PGB reports a range of initiatives across climate, safety, operational reliability, and community development. Future reporting would be strengthened by providing clearer explanations for significant year-on-year movements in key indicators, such as changes in emissions or water consumption.
- Reliability:
  While core data systems are established, difference in data governance practices vary across assets, resulting in reconciliation variances, unit inconsistencies, and occasional gaps in supporting evidence. Enhancing the consistency of calculation methods, strengthening pre-consolidation validation, and improving evidence traceability will enhance the overall reliability of the reported information

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition, ISO/IEC 17021 Conformity audit – Requirements for bodies providing audit and certification of management systems and ISO/IEC 17029 Conformity Assessment — General principles and requirements for validation and verification bodies.

This engagement has been conducted in accordance with the impartiality and conflict-of-interest requirements established under ISO 17029. LRQA confirms that it maintains independence from the client, has no conflicts of interest related to this engagement, and complies with all applicable impartiality and integrity requirements. This engagement was performed under LRQA's management system controls aligned with ISO 17029, which requires a documented system for impartiality safeguards, conflict-of-interest management, and oversight mechanisms equivalent to the quality management system principles set out in ISQM 1.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification audits is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Hery Sakrir
LRQA Lead Verifier
On behalf of LRQA INSPECTION MALAYSIA SDN. BHD.,
Level 25, Naza Tower, Platinum Park, No.10,
Persiaran KLCC, 50088 Kuala Lumpur
LRQA reference: KLR0001072

Dated: 6 March 2026

Table 1. Summary of PGB's Sustainability Data for Reporting Year 2025

Sustainability Matter	Indicators	Measurement Unit	2025
Sustainability Value Creation	Number of carbon footprint assessment conducted for major growth projects	Number	5
	Percentage of senior management employees hired from local communities	Percentage	100%
Energy Management	PGB Energy intensity ratio	Number	91.8
	Total Electricity Generation Capacity		
	Natural gas	MW	400
	Solar	MW	0.254
	Total Steam Generation Capacity		
	Natural gas	MT/hour	1,312
	Solar	MT/hour	Not Applicable
	Electricity production by energy type		
	Fuel gas	MWh	2,321,900
	Solar	MWh	366
	Imported electricity from grid	MWh	144,526
	Energy Consumption		
	GPU	GJ/year million	60.29
	GTR	GJ/year million	4.15
	Total energy consumption	GJ/year million	64.44
	Total energy consumption	MW	17,900,000
	Energy Intensity		
	GPU energy intensity ratio	Number	90
	GP energy intensity	GJ/MT	1.68
	UT energy intensity	GJ/MWh	4.41
	GTR energy intensity ratio	Number	92.99
	RGTSU energy intensity	GJ/MT	1.00
	RGTP energy intensity	GJ/MT	0.09
	GT energy intensity	GJ/MT	0.15
Climate Change Management	**Total GHG Emissions**		
	Scope 1	tCO2e	5,475,205.02
	Scope 2	tCO2e	73,304.74
	Scope 3	tCO2e	Not Available

Independent Limited Assurance Statement

	GHG Intensity		
	GP	tCO2e/tonne	0.210
	UT	tCO2e/MWh	0.228
	GTR	tCO2e/tonne	0.027
	Scope 1 Breakdown by GHG Type		
	CO2	Tonnes	5,233,335.84
	CH4	Tonnes	11,745.31
	N2O	Tonnes	72.29
	GHG emissions reduction	tCO2e	175,778.15
Pollution Management	Total of raw materials consumption	kg	215,104
	Total amount of effluent discharge	m^3	788,120.65
	Total COD loading	Tonnes	23.93
	Incidents of non-compliance related to discharge limits	Number	0
	Total of NO_x emissions	Tonnes	4,575
	Total of SO_x emissions	Tonnes	116
	Total of VOC emissions	Tonnes	0.1
	Number of environmental fines and penalties	Number	0
	Total environmental fines	RM	0
Waste Management	Quantity of hazardous waste generated	MT	5,835.99
	Quantity of hazardous waste disposed	MT	199.54
	Hazardous Waste Disposed by Disposal Operations		
	GPU	MT	162.24
	GTR	MT	37.30
	Hazardous Waste Diverted from Disposal by 4R Activities — Waste Recycled		
	GPU	MT	4,962.58
	GTR	MT	69.86
	Actual Against Target 4R		
	Target 4R	Percentage	65%
	Actual 4R	Percentage	86%
	Actual	MT	5,032.44
	Quantity of Non-Hazardous Waste Generated		
	GPU	MT	727
	GTR	MT	26
	Quantity of Non-Hazardous Waste Disposed		
	GPU	MT	694
	GTR	MT	25
	Non-Hazardous Waste Diverted from Disposal — Waste Recycled		
	GPU	MT	34
	GTR	MT	0.33
	Total of Hazardous Waste and Non-Hazardous Waste		
	Total of waste generated	MT	6,588.99
	Total waste diverted from disposal (4R)	MT	5,066.77
	Total of waste directed to disposal	MT	918.54
Water Management	Municipal freshwater withdrawal by location	Million m3	7.07
	Total of water withdrawal by source	Million m3	107.51
	Freshwater withdrawal reduction	m3	2,500,000
	Freshwater Intensity		
	Total average per year - GP	m3/tonne production	0.2109
	Total average per year - UT	m3/tonne production	0.4334
	Total of water discharge	Million m3	99.84
	Total of water consumption	Million m3	4.538
	Water consumption intensity for power generation	m3/MWh	0
	Water withdrawal/ consumption at water-stressed regions	Million m3	2.192
	Wastewater Discharge by Location		
	GPK	m3	37,293.36
	GPS	m3	44,193.95
	UK	m3	706,633.34
	Wastewater Chemical Oxygen Demand (COD) Loading		
	GPK	tonnes	1.66
	GPS	tonnes	0.88
	UK	tonnes	21.39
	RGTP	tonnes	0.00
Biodiversity Management	Biodiversity protection and conservation programmes	Number	6
	BES Screening - Number of UNESCO Sites, PA, and/or KBA in proximity to our assets	Number	12
	Number of EIA conducted for new projects	Number	1
Human Rights	Number of actual incidents involving child labour, young workers in hazardous conditions or forced or compulsory labour	Number	0
	Protecting the rights of indigenous people	Number	0

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	Communication and training on human rights for employees	Number	88
	Formal human rights training for security personnel	Number	23
	Human Rights and Labour Violations		
	Human rights violations	Number	0
	Labour standards violation	Number	0
Equal Opportunity, Diversity & Inclusion	**Percentage of board members by gender and age group**		
	Male	Percentage and Number	67% (6)
	Female	Percentage and Number	33% (3)
	<30 years	Percentage and Number	0% (0)
	30-50 years	Percentage and Number	11% (1)
	>50 years	Percentage and Number	89% (8)
	Percentage of employees by gender and age group, for each employee category		
	Age Group by Employee Category:		
	Leadership committee (PGB LT) <30 years	Percentage and Number	0% (0)
	Leadership committee (PGB LT) 30-50 years	Percentage and Number	62.5% (5)
	Leadership committee (PGB LT) >50 years	Percentage and Number	37.5% (3)
	Senior management (SM and GM) <30 years	Percentage and Number	0% (0)
	Senior management (SM and GM) 30-50 years	Percentage and Number	79% (48)
	Senior management (SM and GM) >50 years	Percentage and Number	21% (13)
	First level management (Manager) <30 years	Percentage and Number	0% (0)
	First level management (Manager) 30-50 years	Percentage and Number	94% (137)
	First level management (Manager) >50 years	Percentage and Number	6% (8)
	Non-management (Executive, Non-Executive, Secretary and TTS) <30 years	Percentage and Number	21% (336)
	Non-management (Executive, Non-Executive, Secretary and TTS) 30-50 years	Percentage and Number	68% (1,094)
	Non-management (Executive, Non-Executive, Secretary and TTS) >50 years	Percentage and Number	11% (185)

	Gender Group by Employee Category:		
	Leadership committee (PGB LT) male	Percentage and Number	62.5% (5)
	Leadership committee (PGB LT) female	Percentage and Number	37.5% (3)
	Senior management (SM and GM) male	Percentage and Number	80% (49)
	Senior management (SM and GM) female	Percentage and Number	20% (12)
	First level management (Manager) male	Percentage and Number	69% (100)
	First level management (Manager) female	Percentage and Number	31% (45)
	Non-management (Executive, Non-Executive, Secretary and TTS) male	Percentage and Number	91% (1,465)
	Non-Management (Executive, Non-Executive, Secretary and TTS) female	Percentage and Number	9% (150)
	Ethnicity of Employees		
	Leadership Committee (PGB LT)		
	Malay	Percentage and Number	75% (6)
	Chinese	Percentage and Number	12.5% (1)
	Indian	Percentage and Number	12.5% (1)
	Others	Percentage and Number	0% (0)
	Senior Management (SM and GM)		
	Malay	Percentage and Number	98% (60)
	Chinese	Percentage and Number	2% (1)
	Indian	Percentage and Number	0% (0)
	Others	Percentage and Number	0% (0)
	First Level Management (Manager)		
	Malay	Percentage and Number	98% (142)
	Chinese	Percentage and Number	0% (0)
	Indian	Percentage and Number	2% (3)
	Others	Percentage and Number	0% (0)

P274 Product procedure

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	Non-Management (Executive, Non-Executive, Secretary and TTS)		
	Malay	Percentage and Number	96% (1,555)
	Chinese	Percentage and Number	2% (28)
	Indian	Percentage and Number	1% (14)
	Others	Percentage and Number	1% (18)
Talent Management	**Total and Rate of New Employee Hires by**		
	Gender		
	Male	Percentage and Number	99% (87)
	Female	Percentage and Number	1% (1)
	Age Group		
	<30 years	Percentage and Number	94% (83)
	30-50 years	Percentage and Number	6% (5)
	>50 years	Percentage and Number	0% (0)
	Region		
	Nationality: Malaysian	Percentage	100%
	Total and Rate of Employee Turnover (Retirement and Resignation) by		
	Rate of Employee Turnover	Percentage	2%
	Gender		
	Male	Percentage and Number	95.35% (41)
	Female	Percentage and Number	4.65% (2)
	Age Group		
	<30years	Percentage and Number	2.33% (1)
	30-50 years	Percentage and Number	9.30% (4)
	>50 years	Percentage and Number	88.37% (38)
	Region		
	Nationality: Malaysian	Percentage	100%
	Category		
	Leadership committee (PGB LT)	Percentage and Number	0% (0)
	Senior management (SM, GM & Non-LT)	Percentage and Number	7% (3)
	First level management (Manager)	Percentage and Number	7% (3)
	Non-management (Executive, Non-Executive, Secretary & TTS)	Percentage and Number	86% (37)
	Permanent employees	Percentage	99.6%
	Temporary staff or contractors	Percentage	0.4%
	Parental Leave		
	Number of employees who took parental leave	Number	120
	Number of employees who returned to work after parental leave ended	Number	119
	Number of employees who returned to work after parental leave ended and were still employees 12 months after their return to work	Number	119
	Rate of return of employees who had taken parental leave	Percentage	99%
	Retention rate of employees who had taken parental leave	Percentage	100%
	Overall Training		
	Total employees	Number	1,829
	Total training hours	Hours	133,781.37
	Average training hours per employee	Hours	73.14
	Average training days per employee	Hours	9.1
	Total Employee Training Hours by Employee Category		
	Leadership committee (PGB LT)	Hours	207.73
	Senior management (SM, GM & Non-LT)	Hours	3,610.66
	First level management (Manager)	Hours	10,421.80
	Non-management (Executive, Non-Executive, Secretary & TTS)	Hours	119,541.18
	Average Training by Employee Category		
	Leadership committee (PGB LT)	Hours	23.08
	Senior management (SM, GM & Non-LT)	Hours	59.19
	First level management (Manager)	Hours	69.02
	Non-management (Executive, Non-Executive, Secretary & TTS)	Hours	74.34
	Performance and Career Development Reviews		
	Total Employee who Received Performance and Career Development Review by Gender		
	Male	Number	1,530
	Female	Number	209

Independent Limited Assurance Statement

	Percentage of Employees who Received Performance and Career Development Review by Gender		
	Male	Percentage	95%
	Female	Percentage	99.5%
	Total Employee who Received Performance and Career Development Review by Employee Category		
	Leadership committee (PGB LT)	Number	8
	Senior management (SM and GM)	Number	61
	First level management (Manager)	Number	145
	Non-Management (Executive, Non-Executive, Secretary & TTS)	Number	1,525
Occupational Safety & Health	**Number of Employees Trained on Health and Safety Standard**		
	Emergency and crisis management	Number	973
	On scene commander	Number	17
	Advanced industrial fire fighting	Number	251
	Hazardous waste	Number	126
	Safe handling of chemicals	Number	75
	Noise and hearing conservation awareness	Number	284
	Certified first aider and AED training	Number	146
	Energy isolation	Number	246
	Permit to work	Number	148
	Working at height	Number	523
	Occupational Health and Safety Performance by		
	All Employees		
	Fatalities as a result of work-related injury	Number	0
	Number of work-related staff/employee fatalities	Number	0
	Rate	Ratio	0
	High-consequence work-related injuries	Number	1
	Rate	Ratio	0.25
	Recordable work-related injuries	Number	1
	Rate	Ratio	0.25
	Number of hours worked	Number	3,966,482
	All Contractors		
	Fatalities as a result of work-related injury	Number	0
	Number of work-related staff/employee fatalities	Number	0
	Rate	Ratio	0
	High-consequence work-related injuries	Number	0

	Rate	Ratio	0
	Recordable work-related injuries	Number	1
	Rate	Ratio	0.13
	Number of hours worked	Hours	7,732,646
	Estimation number of contractors (Total man-hours/12 hours a day)	Number	644,387
	Lost Time Injury Rate/Frequency (LTIR/LTIF)	Ratio	0
	Work-Related Ill Health (Staff)		
	Number of fatalities of work-related ill health	Number	0
	Recordable work-related ill-health cases	Number	0
	Workers who are not Employees but whose Work and/or Workplace is Controlled by the Organisation		
	Number of fatalities of work-related ill health	Number	0
	Recordable work-related ill-health cases	Number	0
	Lagging Indicator Scorecard		
	Fatalities	Number	0
	Lost Time injuries	Number	1
	Lost Time Injury Frequency Rate	Ratio	0.09
	Major fire	Number	1
	Major LOPC	Number	0
	HSE non-monetary sanctions	Number	5
	Leading Indicator Scorecard		
	Unsafe Act, Unsafe Condition (UAUC)	Number	10,785
	Percentage of first line assurance implementation	Percentage	98.4%
	HSE mandatory training	Percentage	93%
	Top management HSE walkabout per leader per quarter	Number	4
	Culture maturity survey score	Score	4.16
	Percentage of emergency drill exercises	Percentage	100%
Sustainable Supply Chain	Proportion of spending on local suppliers	Percentage	99%
	Number of buyers trained on supplier ESG	Number	131
	Number of supplier social assessments	Number	4,775
Community Engagement	Total donations or investments made to registered not-for-profit organisations	RM	148,226.25
	Total amount invested in the community	RM	3,885,598.25
	Total number of beneficiaries of the investment in communities	Number	784

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Business Ethics & Transparency	Percentage of operations assessed for corruption-related risks	Percentage	100%
	Percentage of board members informed of anti-corruption policies and procedures	Percentage	100%
	Percentage of employees informed of anti-corruption policies and procedures	Percentage	99%
	Percentage of board members trained on anti-corruption policies and procedures	Percentage	100%
	Percentage of employees trained on anti-corruption policies and procedures	Percentage	99%
	Incident of corruption and remedial actions	Number	0
	Legal action for anti-competitive behaviour, anti-trust and monopoly practices	Number	0
	Number of political contributions	Number	0
Cybersecurity & Data Privacy	Number of employees trained on Cyber Security and You Refresher Assessment 2025	Number	1,693
	Number of business partners trained on Cyber Security 101 training	Number	255
	Incident of personal and customer data privacy breaches	Number	0

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P274 Product procedure

Rev 0, 06 March 2026

Bursa Malaysia's CSI Prescribed Table

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Climate Change Management	Scope 1	tCO2e	5,475,205.02	No target	External (Limited)	
Climate Change Management	Scope 2	tCO2e	73,304.74	No target	External (Limited)	
Climate Change Management	Scope 3	tCO2e	Not Available	No target	External (Limited)	Due to reliance on data from the value chain, the disclosure of Scope 3 emissions will shift by one reporting cycle to allow companies within the value chain to disclose their information prior to its use in our Scope 3 calculations.
Climate Change Management	GHG Intensity - GP	tCO2e/tonne	0.210	No target	External (Limited)	
Climate Change Management	GHG Intensity - UT	tCO2e/MWh	0.228	No target	External (Limited)	
Climate Change Management	GHG Intensity - GTR	tCO2e/tonne	0.027	No target	External (Limited)	
Climate Change Management	Scope 1 Breakdown by GHG Type - CO2	tonnes	5,233,335.84	No target	External (Limited)	
Climate Change Management	Scope 1 Breakdown by GHG Type - CH4	tonnes	11,745.31	No target	External (Limited)	
Climate Change Management	Scope 1 Breakdown by GHG Type - N2O	tonnes	72.29	No target	External (Limited)	
Climate Change Management	GHG Emissions Reduction	tCO2e	175,778.15	120,000.00	External (Limited)	

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GRI Content Index

Statement of Use	PETRONAS Gas Berhad has reported the information cited in this GRI content index for the period of 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI DISCLOSURE	PAGE REFERENCE
GRI 2: General Disclosures 2021	
2-1 Organisational details	IR 2025 > Who We Are, page 6-9
2-2 Entities included in the organisation's sustainability reporting	SR 2025 > About This Report, page a2
2-3 Reporting period, frequency and contact point	SR 2025 > About This Report, page a2
2-4 Restatements of information	SR 2025 > About This Report, page a2
2-5 External assurance	SR 2025 > About This Report, page a2; Independent Limited Assurance Statement, page 152-153
2-6 Activities, value chain and other business relationships	IR 2025 > Our Group Business Activities and Processes, page 10-13
2-7 Employees	SR 2025 > Equal Opportunity, Diversity and Inclusion, page 105-106; Talent Management, page 113 IR 2025 > Value Creating Business Model, page 40-41
2-8 Workers who are not employees	SR 2025 > Talent Management, page 113
2-9 Governance structure and composition	SR 2025 > Sustainability Governance, page 12-15 IR 2025 > Corporate Governance Overview Statement, page 96-99
2-10 Nomination and selection of the highest governance body	IR 2025 > Corporate Governance Overview Statement, page 99-104
2-11 Chair of the highest governance body	SR 2025 > Sustainability Governance, page 12 IR 2025 > Corporate Governance Overview Statement, page 100
2-12 Role of the highest governance body in overseeing the management of impacts	SR 2025 > Sustainability Governance, page 12-16 IR 2025 > Board Sustainability and Risk Committee Report, page 139
2-13 Delegation of responsibility for managing impacts	SR 2025 > Sustainability Governance, page 12-16 IR 2025 > Board Sustainability and Risk Committee Report, page 140
2-14 Role of the highest governance body in sustainability reporting	SR 2025 > About This Report, page a2; Sustainability Governance, page 14
2-15 Conflicts of interest	IR 2025 > Board Audit Committee Report, page 124-125
2-16 Communication of critical concerns	SR 2025 > Human Rights, page 99-101 IR 2025 > Board Audit Committee Report, page 120-121
2-17 Collective knowledge of the highest governance body	SR2025 > Sustainability Governance, page 16 IR 2025 > Board at a Glance, page 79; Corporate Governance Overview Statement, page 110
GRI 2: General Disclosures 2021	
2-18 Evaluation of the performance of the highest governance body	SR 2025 > Sustainability Governance, page 16; Corporate Governance Overview Statement page 112
2-19 Remuneration policies	IR 2025 > Corporate Governance Overview Statement, page 113-114
2-20 Process to determine remuneration	IR 2025 > Nomination and Remuneration Committee Report, page 132-138
2-22 Statement on sustainable development strategy	SR 2025 > Foreword by the Chairman of the Board Sustainability and Risk Committee, page 2-5; Managing Director/Chief Executive Officer's Statement, page 6-9; Sustainability Blueprint, page 17
2-23 Policy commitments	SR 2025 > Human Rights, page 93-97; Business Ethics and Transparency, page 147; Occupational Safety and Health, page 116; Cybersecurity and Data Privacy, page 150
2-24 Embedding policy commitments	SR 2025 > Human Rights, page 93-97; Business Ethics and Transparency, page 147-148; Occupational Safety and Health, page 116; Cybersecurity and Data Privacy, page 150

GRI DISCLOSURE	PAGE REFERENCE
GRI 2: General Disclosures 2021	
2-25 Processes to remediate negative impacts	SR 2025 > Human Rights, page 99-101; Occupational Safety and Health, page 124, 126-129
2-26 Mechanisms for seeking advice and raising concerns	SR 2025 > Human Rights, page 99-101
2-27 Compliance with laws and regulations	SR 2025 > Pollution Management, page 64-65; Business Ethics and Transparency, page 149; Cybersecurity and Data Privacy, page 150-151
2-28 Membership associations	SR 2025 > Climate Change Management, page 46-47
2-29 Approach to stakeholder engagement	SR2025 > Engaging Our Stakeholder, page 24-27
2-30 Collective bargaining agreements	SR 2025 > Human Rights, page 97
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	SR 2025 > Determining Our Material Matters, page 18-19
3-2 List of material topics	SR 2025 > Determining Our Material Matters, page 20-23
SUSTAINABLE VALUE CREATION	
GRI 3: Material Topics 2021	
3-3 Management of material topics	SR 2025 > Sustainable Value Creation, page 29-32
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	SR 2025 > Sustainable Value Creation, page 33
201-4 Financial assistance received from government	No financial assistance received from government in 2025
GRI 202: Market Presence 2016	
202-2 Proportion of senior management hired from the local community	SR 2025 > Sustainable Value Creation, page 33
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	SR 2025 > Sustainable Value Creation, page 30
203-2 Significant indirect economic impacts	SR 2025 > Sustainable Value Creation, page 33
POLLUTION MANAGEMENT	
3-3 Management of material topics	SR 2025 > Pollution Management, page 60-63,66
GRI 303: Water and Effluents 2018	
303-4: Water discharge	SR 2025 > Pollution Management, page 64
GRI 305: Emissions 2016	
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SR 2025 > Pollution Management, page 65
CLIMATE CHANGE MANAGEMENT	
3-3 Management of material topics	SR 2025 > Climate Change Management, page 41-55
GRI 201: Economic Performance 2016	
201-2 Financial implications and other risks and opportunities due to climate change	SR 2025 > Climate Change Management, page 50-51
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	SR 2025 > Climate Change Management, page 57-58
305-2 Energy indirect (Scope 2) GHG emissions	SR 2025 > Climate Change Management, page 57
305-4 GHG emissions intensity	SR 2025 > Climate Change Management, page 56
305-5 Reduction of GHG emissions	SR 2025 > Climate Change Management, page 59
ENERGY MANAGEMENT	
3-3 Management of material topics	SR 2025 > Energy Management, page 35-36,38-39
GRI 302: Energy 2016	
302-1 Energy consumption within the organisation	SR 2025 > Energy Management, page 37-39
302-4 Reduction of energy consumption	SR 2025 > Energy Management, page 37-39
302-5 Reductions in energy requirements of products and services	SR 2025 > Energy Management, page 38

GRI Content Index

GRI DISCLOSURE	PAGE REFERENCE
WASTE MANAGEMENT	
3-3 Management of material topics	SR 2025 > Waste Management, page 67-69, 71-73
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	SR 2025 > Waste Management, page 67-74
306-2 Management of significant waste-related impacts	SR 2025 > Waste Management, page 67-69, 74
306-3 Waste generated	SR 2025 > Waste Management, page 70, 73-74
306-4 Waste diverted from disposal	SR 2025 > Waste Management, page 70, 74
306-5 Waste directed to disposal	SR 2025 > Waste Management, page 73-74
WATER MANAGEMENT	
3-3 Management of material topics	SR 2025 > Water Management, page 75-78, 82
GRI 303: Water and Effluents 2018	
303-1 Interactions with water as a shared resource	SR 2025 > Water Management, page 76-78
303-2 Management of water discharge-related impacts	SR 2025 > Water Management, page 75-82
303-3 Water withdrawal	SR 2025 > Water Management, page 79,81
303-4 Water discharge	SR 2025 > Water Management, page 80-81
303-5 Water consumption	SR 2025 > Water Management, page 80-81
BIODIVERSITY MANAGEMENT	
3-3 Management of material topics	SR 2025 > Biodiversity Management, page 83-91
GRI 304: Biodiversity 2016	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	SR 2025 > Biodiversity Management, page 87-89
304-2 Significant impacts of activities, products and services on biodiversity	SR 2025 > Biodiversity Management, page 89
304-3 Habitats protected or restored	SR 2025 > Biodiversity Management, page 90-91
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	SR 2025 > Biodiversity Management, page 86
OCCUPATIONAL SAFETY AND HEALTH	
3-3 Management of material topics	SR 2025 > Occupational Safety and Health, page 116-134
GRI 403: Occupational Safety and Health 2018	
403-1 Occupational health and safety management system	SR 2025 > Occupational Safety and Health, page 116-120
403-2 Hazard identification, risk assessment and incident investigation	SR 2025 > Occupational Safety and Health, page 121-123, 125-126
403-3 Occupational health services	SR 2025 > Occupational Safety and Health, page 127-128
403-4 Worker participation, consultation, and communication on occupational health and safety	SR 2025 > Occupational Safety and Health, page 118-121, 124, 128
403-5 Worker training on occupational health and safety	SR 2025 > Occupational Safety and Health, page 129
403-6 Promotion of worker health	SR 2025 > Occupational Safety and Health, page 130
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR 2025 > Occupational Safety and Health, page 130-133
403-8 Workers covered by an occupational health and safety management system	SR 2025 > Occupational Safety and Health, page 135
403-9 Work-related injuries	SR 2025 > Occupational Safety and Health, page 135-136
403-10 Work-related ill health	SR 2025 > Occupational Safety and Health, page 136-137
TALENT MANAGEMENT	
3-3 Management of material topics	SR 2025 > Talent Management, page 107-110

GRI DISCLOSURE	PAGE REFERENCE
TALENT MANAGEMENT	
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	SR 2025 > Talent Management, page 111-113
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR 2025 > Talent Management, page 114
401-3 Parental leave	SR 2025 > Talent Management, page 113
GRI 404: Training and Education 2016	
404-1 Average hours of training per year per employee	SR 2025 > Talent Management, page 114
404-2 Programs for upgrading employee skills and transition assistance programs	SR 2025 > Talent Management, page 109-110, 115
404-3 Percentage of employees receiving regular performance and career development reviews	SR 2025 > Talent Management, page 115
HUMAN RIGHTS	
3-3 Management of material topics	SR 2025 > Human Rights, page 93
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	SR 2025 > Human Rights, page 97
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SR 2025 > Human Rights, page 97
GRI 410: Security Practices 2016	
410-1 Security personnel trained in human rights policies or procedures	SR 2025 > Human Rights, page 101
GRI 411: Rights of Indigenous Peoples 2016	
411-1 Incidents of violations involving rights of indigenous peoples	SR 2025 > Human Rights, page 97
SUSTAINABLE SUPPLY CHAIN	
3-3 Management of material topics	SR 2025 > Sustainable Supply Chain, page 139
GRI 203: Indirect Economic Impact 2016	
203-2 Significant indirect economic impacts	SR 2025 > Sustainable Supply Chain, page 140-141
GRI 204: Procurement Practices 2016	
204-1 Proportion of spending on local suppliers	SR 2025 > Supplier Social Impacts, page 141
GRI 414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	SR 2025 > Supplier Social Impacts, page 141
414-2 Negative social impacts in the supply chain and actions taken	SR 2025 > Supplier Social Impacts, page 141
EQUAL OPPORTUNITY, DIVERSITY AND INCLUSION	
3-3 Management of material topics	SR 2025 > Equal Opportunity, Diversity and Inclusion, page 103-104
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	SR 2025 > Equal Opportunity, Diversity and Inclusion, page 105-106
COMMUNITY ENGAGEMENT	
3-3 Management of material topics	SR 2025 > Community Engagement, page 142-145
GRI 203: Indirect Economic Impacts 2016	
203-1 Infrastructure investments and services supported	SR 2025 > Community Engagement, page 143-145
203-2 Significant indirect economic impacts	SR 2025 > Community Engagement, page 143-145
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs	SR 2025 > Community Engagement, page 142-145

GRI Content Index

GRI DISCLOSURE	PAGE REFERENCE
BUSINESS ETHICS AND TRANSPARENCY	
3-3 Management of material topics	SR 2025 > Business Ethics and Transparency, page 147-149
GRI 205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption	SR 2025 > Business Ethics and Transparency, page 149
205-2 Communication and training about anti-corruption policies and procedures	SR 2025 > Business Ethics and Transparency, page 149
205-3 Confirmed incidents of corruption and actions taken	SR 2025 > Business Ethics and Transparency, page 149
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	SR 2025 > Business Ethics and Transparency, page 149
CYBERSECURITY AND DATA PRIVACY	
3-3 Management of material topics	SR 2025 > Cybersecurity and Data Privacy, page 150-151
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR 2025 > Cybersecurity and Data Privacy, page 151

IFRS S2 Content Index

IFRS S2 INDICATOR	REQUIREMENTS	OUR RESPONSE
GOVERNANCE		
6(a)(i)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about: How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s)	SR 2025 > Sustainability Governance, page 12-15
6(a)(ii)	How the body(s) or individual(s) determined whether appropriate skills and competencies will be developed to oversee strategies designed to respond to climate-related risks and opportunities	SR 2025 > Sustainability Governance, page 16
6(a)(iii)	How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities	SR 2025 > Sustainability Governance, page 13
6(a)(iv)	How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities	SR 2025 > Sustainability Governance, page 13
6(a)(v)	How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraph 33-36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g))	SR 2025 > Sustainability Governance, page 13
6(b)(i)	Disclose information about management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	SR 2025 > Sustainability Governance, page 13, 16
6(b)(ii)	Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	SR 2025 > Sustainability Governance, page 16
STRATEGY		
10(a)	An entity shall disclose information that enables users of general-purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall: Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	SR 2025 > Climate Change Management, page 48-55
10(b)	Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	SR 2025 > Climate Change Management, page 48-55
10(c)	Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium, or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur	SR 2025 > Climate Change Management, page 50-51, 53
10(d)	Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	SR 2025 > Climate Change Management, page 41

IFRS S2 Content Index

IFRS S2 INDICATOR	REQUIREMENTS	OUR RESPONSE
STRATEGY		
13(a)	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose: A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain	SR 2025 > Climate Change Management, page 51-53
13(b)	A description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets)	SR 2025 > Climate Change Management, page 48-54
14(a)(i)	Disclose information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about: Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments)	SR 2025 > Climate Change Management, page 52-54
14(a)(ii)	Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications)	SR 2025 > Climate Change Management, page 50-51
14(a)(iii)	Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains)	SR 2025 > Climate Change Management, page 50-51
14(a)(iv)	Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies	SR 2025 > Climate Change Management, page 41-43
14(a)(v)	How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36	SR 2025 > Climate Change Management, page 42-43
15(a)	An entity shall disclose information that enables users of general purpose financial reports to understand: The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)	SR 2025 > Climate Change Management, page 50-52
15(b)	The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	SR 2025 > Climate Change Management, page 50-52
16(a)	Specifically, an entity shall disclose quantitative and qualitative information about: How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	SR 2025 > Climate Change Management, page 50-52
16(b)	The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	SR 2025 > Climate Change Management, page 50-52

IFRS S2 INDICATOR	REQUIREMENTS	OUR RESPONSE
STRATEGY		
16(c)(i)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to	SR 2025 > Climate Change Management, page 50-52
16(c)(ii)	Its planned sources of funding to implement its strategy;	SR 2025 > Climate Change Management, page 50-52
16(d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	SR 2025 > Climate Change Management, page 50-55
22(a)(i)	The entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand: The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis	SR 2025 > Climate Change Management, page 52-54
22(a)(ii)	The significant areas of uncertainty considered in the entity's assessment of its climate resilience	SR 2025 > Climate Change Management, page 54-55
22(a)(iii)(1)	The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including; the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities	SR 2025 > Climate Change Management, page 54-55
22(a)(iii)(2)	The entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and	SR 2025 > Climate Change Management, page 54-55
22(a)(iii)(3)	The effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	SR 2025 > Climate Change Management, page 54-55
22(b)(i)(1)	How and when the climate-related scenario analysis was carried out, including information about the inputs the entity used, including: Which climate-related scenarios the entity used for the analysis and the sources of those scenarios	SR 2025 > Climate Change Management, page 52-54
22(b)(i)(2)	Whether the analysis included a diverse range of climate-related scenarios	SR 2025 > Climate Change Management, page 52-54
22(b)(i)(3)	Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks	SR 2025 > Climate Change Management, page 52-54
22(b)(i)(4)	Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change	SR 2025 > Climate Change Management, page 52-54

IFRS S2 Content Index

IFRS S2 INDICATOR	REQUIREMENTS	OUR RESPONSE
STRATEGY		
22(b)(i)(5)	Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties	SR 2025 > Climate Change Management, page 52
22(b)(i)(6)	The time horizons the entity used in the analysis and	SR 2025 > Climate Change Management, page 41
22(b)(i)(7)	What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis)	SR 2025 > Climate Change Management, page 49
22(b)(ii)(1)	The key assumptions the entity made in the analysis, including assumptions about: Climate-related policies in the jurisdictions in which the entity operates	SR 2025 > Climate Change Management, page 55
22(b)(ii)(2)	Macroeconomic trends	SR 2025 > Climate Change Management, page 55
22(b)(ii)(3)	National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources)	SR 2025 > Climate Change Management, page 55
22(b)(ii)(4)	Energy usage and mix	SR 2025 > Climate Change Management, page 55
22(b)(ii)(5)	Developments in technology	SR 2025 > Climate Change Management, page 55
22(b)(iii)	The reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	SR 2025 > Climate Change Management, page 52-54
RISK MANAGEMENT		
25(a)(i)	The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes)	SR 2025 > Climate Change Management, page 48-49
25(a)(ii)	Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks	SR 2025 > Climate Change Management, page 52-53
25(a)(iii)	How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria)	SR 2025 > Climate Change Management, page 49
25(a)(iv)	whether and how the entity prioritises climate-related risks relative to other types of risk	SR 2025 > Climate Change Management, page 49
25(a)(v)	How the entity monitors climate-related risks	SR 2025 > Climate Change Management, page 49
25(a)(vi)	Whether and how the entity has changed the processes it uses compared with the previous reporting period;	SR 2025 > Climate Change Management, page 48-49
25(b)	The processes the entity uses to identify, assess, priorities and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	SR 2025 > Climate Change Management, page 48-49
25(c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	SR 2025 > Climate Change Management, page 49

IFRS S2 INDICATOR	REQUIREMENTS	OUR RESPONSE
METRICS AND TARGETS		
29(a)(i)(1)	An entity shall disclose information relevant to the cross-industry metric categories of: greenhouse gases—the entity shall Disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO_2 equivalent (see paragraphs B19–B22), classified as: Scope 1 greenhouse gas emissions;	SR 2025 > Climate Change Management, page 57
29(a)(i)(2)	Scope 2 greenhouse gas emissions; and	SR 2025 > Climate Change Management, page 57
29(a)(i)(3)	Scope 3 greenhouse gas emissions	SR 2025 > Climate Change Management, page 57
29(a)(ii)	Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25)	SR 2025 > Climate Change Management, page 56
29(a)(iii)(1)	Disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including: the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	SR 2025 > Climate Change Management, page 43-45, 56
29(a)(iii)(2)	The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	SR 2025 > Climate Change Management, page 43-45, 56
29(a)(iii)(3)	Any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	SR 2025 > Climate Change Management, page 43-45, 57-58
29(a)(iv)(1)	For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between: the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and	SR 2025 > Climate Change Management, page 57
29(a)(iv)(2)	Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries)	SR 2025 > Climate Change Management, page 57-58
29(a)(v)	Location-based Scope 2 greenhouse gas emissions, and the information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions	SR 2025 > Climate Change Management, page 45, 57
29(a)(vi)(1)	For Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and	SR 2025 > Climate Change Management, page 44-45, 57-58
29(a)(vi)(2)	Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance (see paragraphs B58–B63)	SR 2025 > Climate Change Management, page 44-45, 57-58
29(b)	Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks	SR 2025 > Climate Change Management, page 52
29(c)	Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks	SR 2025 > Climate Change Management, page 54

IFRS S2 Content Index

IFRS S2 INDICATOR	REQUIREMENTS	OUR RESPONSE
METRICS AND TARGETS		
29(d)	Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	SR 2025 > Climate Change Management, page 52
29(e)	Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	SR 2025 > Climate Change Management, page 52
29(f)(i)	Internal carbon prices—the entity shall disclose: an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis)	SR 2025 > Climate Change Management, page 52
29(f)(ii)	The price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions	SR 2025 > Sustainable Value Creation, page 31 SR 2025 > Climate Change Management, page 52
29(g)(i)	Remuneration, including the information about: A description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v))	SR 2025 > Sustainability Governance, page 16
29(g)(ii)	The percentage of executive management remuneration recognised in the current period that is linked to climate related considerations.	SR 2025 > Sustainability Governance, page 16
33(a)	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose: The metric used to set the target (see paragraphs B66–B67);	SR 2025 > Climate Change Management, page 41-43, 55-59
33(b)	The objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	SR 2025 > Climate Change Management, page 41-43
33(c)	The part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	SR 2025 > Climate Change Management, page 41-43
33(d)	The period over which the target applies;	SR 2025 > Climate Change Management, page 41-43
33(e)	The base period from which progress is measured;	SR 2025 > Climate Change Management, page 41-43
33(f)	Any milestones and interim targets;	SR 2025 > Climate Change Management, page 41-43
33(g)	If the target is quantitative, whether it is an absolute target or an intensity target; and	SR 2025 > Climate Change Management, page 41-43
33(h)	How the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	SR 2025 > Climate Change Management, page 43, 46-47
34(a)	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: whether the target and the methodology for setting the target has been validated by a third party;	SR 2025 > Climate Change Management, page 43
34(b)	The entity's processes for reviewing the target;	SR 2025 > Climate Change Management, page 43
34(c)	The metrics used to monitor progress towards reaching the target; and	SR 2025 > Climate Change Management, page 55-59
34(d)	Any revisions to the target and an explanation for those revisions.	SR 2025 > Climate Change Management, page 42

IFRS S2 INDICATOR	REQUIREMENTS	OUR RESPONSE
METRICS AND TARGETS		
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	SR 2025 > Climate Change Management, page 59
36(a)	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose: which greenhouse gases are covered by the target.	SR 2025 > Climate Change Management, page 41-44, 55-59
36(b)	Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	SR 2025 > Climate Change Management, page 41-43, 55-59
36(c)	Whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69)	SR 2025 > Climate Change Management, page 41-43
36(d)	Whether the target was derived using a sectoral decarbonisation approach.	SR 2025 > Climate Change Management, page 43
36(e)(i)	The entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71: the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	SR 2025 > Climate Change Management, page 41-43, 47, 55-59
36(e)(ii)	Which third-party scheme(s) will verify or certify the carbon credits;	SR 2025 > Climate Change management, page 47
36(e)(iii)	The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	SR 2025 > Climate Change Management, page 47
36(e)(iv)	Any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset)	SR 2025 > Climate Change Management, page 47

Glossary of Terms, Abbreviations and Acronyms

ABBREVIATION	MEANING OR DEFINITION
4R	Reduce, Reuse, Recycle and Recover
AA	Approving Authority
ABC	Anti-Bribery and Corruption
ABR	Accountability and Behavioural Reinforcement
ABT	Asset-Based Training
AED	Automated External Defibrillator
AERA	Advanced Ergonomics Risk Assessment
AGO	Acid Gas Oxidiser
ALARP	As Low As Reasonably Practicable
ANSI	American National Standards Institute
API	American Petroleum Institute
APID	Asia Pacific Digital Identity Consortium
APS	Announced Pledges Scenario
ASEAN	Association of Southeast Asian Nations
ASU	Air Separation Unit
AWS	Alliance for Water Stewardship
BAP	Biodiversity Action Plan
BEE	Board Effectiveness Evaluation
BES	Biodiversity and Ecosystem Services
BESRA	Biodiversity and Ecosystem Services Risk Assessment
BKSA	Badan Kawal Selia Air (Water Regulatory Body)
BNM	Bank Negara Malaysia
BOV	Bleed-Off Valve
BRICS	Barrier Risk Centralised Solution
BRO	Brine Reverse Osmosis
BSRC	Board Sustainability and Risk Committee
C2M2	Cybersecurity Capability Maturity Model
CA	Collective Agreement
CAPEX	Capital Expenditure
CBAM	Carbon Border Adjustment Mechanism
CCGT	Combined-Cycle Gas Turbine
CCS	Carbon Capture and Storage
CCTV	Closed-Circuit Television
CCU	Carbon Capture and Utilisation
CCUS	Carbon Capture, Utilisation and Storage
CEMS	Continuous Emissions Monitoring System
CFA	Carbon Footprint Assessment
CHRA	Chemical Health Risk Assessment
CIMAH	Control of Industrial Major Accident Hazards
CIRP	Cybersecurity Incident Response Plan
CLO/GF	Community Liaison Officer/Grievance Focal
CMIS	Crisis Management Information System
CMS	Culture Maturity Survey
CoCHR	Code of Conduct on Human Rights
COD	Chemical Oxygen Demand
COGEN	Cogeneration
COVID	Coronavirus Disease
CRA	Corruption Risk Assessment
CRMY	Cancer Research Malaysia
CRRO	Climate-related Risks and Opportunities
CSI	Centralised Sustainability Intelligence
CSO	Chief Sustainability Officer
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CV	Curriculum Vitae
D&I	Diversity and Inclusion
DID	Department of Irrigation and Drainage, Malaysia
DoE	Department of Environment
DOSH	Department of Occupational Safety and Health
DP	Data Protection
DPKK	Dasar Pasaran Karbon Kredit (National Carbon Market Policy)
EAI	Environmental Aspect Impact
EECA	Energy Efficiency and Conservation Act
EES	Economic, Environmental and Social
EIA	Environmental Impact Assessment
EIR	Energy Intensity Ratio
ELMS	Energy and Loss Management System
EMP	Environmental Management Plan
EMS	Environmental Management System
EMT	Emergency Management Team
EPF	Employees Provident Fund
ePTW+	Electronic Permit to Work
ERM	Enterprise Risk Management
ERMF	Enterprise Risk Management Framework
ERP	Enterprise Risk Profile
ERT	Emergency Response Team
ESG	Environmental, Social and Governance
eSWIS	Electronic Scheduled Waste Information System
EXCO	Executive Committee
Ex-RM	External Risk Management
FID	Final Investment Decision
FMS	Fleet Management System
FTSE4GOOD	FTSE4Good Sustainability Index
GDPR	General Data Protection Regulation
GEES	Graduate Employability Enhancement Scheme
GESAMP-LCA	Joint Group of Experts on the Scientific Aspects of Marine Environmental Protection - Life Cycle Analysis
GET	Green Electricity Tariff
GHG	Greenhouse Gas
GHSE	Group Health, Safety and Environment
GHSSE	Group Health, Safety, Security and Environment
GJ	Gigajoule
GJ/MT	Gigajoule per Metric Tonne
GM	General Manager
GP	Gas Processing
GPK	Gas Processing Kertih
GPS	Gas Processing Santong
GPU	Gas Processing and Utilities
GRI	Global Reporting Initiative
GT	Gas Transmission
GTC	GPU Technical Centre
GTR	Gas Transportation and Regasification
GTS	Gas Transportation Services
GWP	Global Warming Potential
HAZID	Hazard Identification
HAZOP	Hazard and Operability
HHRA	Human Health Risk Assessment
HIRA	Hazard Identification and Risk Assessment
HR	Human Resources
HRA	Health Risk Assessment
HRDD	Human Rights Due Diligence
HRM	Human Resource Management
HSE	Health, Safety and Environment
HSEMS	HSE Management System
HSSE	Health, Safety, Security and Environment
HTG	High-Tech and Green Facility
IAP	Incident Action Plan
IBAT	Integrated Biodiversity Assessment Tool
IEA	International Energy Agency
IECS	Industrial Effluent Characterisation Study
IER	Industrial Effluent Regulations
IETS	Industrial Effluent Treatment System
IFRS	International Financial Reporting Standards
IHOH	In5tegrated Health and Occupational Health
ILO	International Labour Organisation
IOGP	International Association of Oil and Gas Producers
IPCC	Intergovernmental Panel on Climate Change
IPIECA	International Petroleum Industry Environmental Conservation Association
IPSS	Integrated Process Safety Solution
IR	Integrated Report
iREMOTE	Integrated Remote and Monitoring System
ISF-IRAM	Information Security Forum – Information Risk Assessment Methodology
ISMS	Information Security Management Systems
ISO	International Organisation for Standardisation
ISSB	International Sustainability Standards Board
ISWG-GHG	Intersessional Working Group on Greenhouse Gas
IUCN	International Union for Conservation of Nature
JHA	Job Hazard Analysis
JKM	Jabatan Kebajikan Masyarakat Malaysia (Department of Social Welfare)
JPA	Jabatan Perkhidmatan Awam (Public Service Department)
KAPENAS	Kesatuan Pekerja-Pekerja PETRONAS dan Anak-Anak Syarikat
KBA	Key Biodiversity Area
KIPC	Kertih Integrated Petrochemicals Complex
KPI	Key Performance Indicator
KWAP	Kumpulan Wang Amanah Pencen (Pension Trust Fund)
KWSP	Kumpulan Wang Simpanan Pekerja (Employees Provident Fund)
KYC	Know Your Counterparty
LCA	Life Cycle Assessment
LCTF	Low Carbon Transition Facility
LNG	Liquefied Natural Gas
LOPA	Layer of Protection Analysis
LOPC	Loss of Primary Containment
LPG	Liquefied Petroleum Gas
LRQA	LRQA Group Limited (Assurance Provider)
LT	Leadership Team
LTI	Lost Time Injury
LTIF	Lost Time Injury Frequency
LTIR	Lost Time Injury Rate
MACC	Malaysian Anti-Corruption Commission
MAKNA	Majlis Kanser Nasional (National Cancer Council)
MARS	Monitoring and Reporting System
MATA	Mitigate, Accept, Transfer and Avoid
MBPG	Majlis Bandaraya Pasir Gudang (Pasir Gudang City Council)

Glossary of Terms, Abbreviations and Acronyms

ABBREVIATION	MEANING OR DEFINITION
MCCG	Malaysian Code on Corporate Governance
MCMC	Malaysian Communications and Multimedia Commission
MD/CEO	Managing Director / Chief Executive Officer
MEPC	Marine Environment Protection Committee
MGA	Malaysian Gas Association
MGP	Methane Guiding Principles
MITL	Mechanical Integrity Tracking List
MMLR	Main Market Listing Requirements
MoC	Management of Change
MPD	Majlis Perbandaran Dungun (Dungun Municipal Council)
MPK	Majlis Perbandaran Kemaman (Kemaman Municipal Council)
MPTA	Million Tonnes Per Annum
MSCI	Morgan Stanley Capital International
MSR	Management System Review
MSWG	Minority Shareholders Watch Group
MT	Metric Tonne
MW	Megawatt
NADMA	National Disaster Management Agency
NASOM	National Autism Society of Malaysia
NCCP	National Climate Change Policy
NCII	National Critical Information Infrastructure
NEDA	New Electricity Dispatch Arrangements
NEP	National Energy Policy
NETR	National Energy Transition Roadmap
NFP	Network Facilities Provider
NFPA	National Fire Protection Association
NGO	Non-Governmental Organisation
NIST CSF	National Institute of Standards and Technology Cybersecurity Framework
NOI	Notice of Improvement
NOP	Notice of Prohibition
NOS-R	National OGSE Sustainability Roadmap
NOx	Nitrogen Oxides
NPI	Net Positive Impact
NRA	Noise Risk Assessment
NRES	Natural Resources and Environmental Sustainability
NSP	Network Service Provider
NSRF	National Sustainability Reporting Framework
NWRC	National Water Resource Council
NYLP	National Young Leaders Programme
NZCE 2050	Net Zero Carbon Emissions by 2050

ABBREVIATION	MEANING OR DEFINITION
OECD	Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturer
OEMS	Operational Excellence Management System
OER	Online Environmental Reporting
OGMP 2.0	Oil and Gas Methane Partnership 2.0
OGSE	Oil and Gas Services and Equipment
OHSMS	Occupational Health and Safety Management System
OIM	Offshore Installation Manager
OJL	On-the-Job Learning
OPEX	Operating Expenditure
OSH	Occupational Safety and Health
OSHA 1994	Occupational Safety and Health Act 1994
PA	Protected Area
PADHI	Planning Advice for Developments Near Hazardous Installations
PASR	Pre-Activity Safety Review
PCANO	PETRONAS Central and Northern Regional Office
PCASB	PETRONAS Chemicals Ammonia Sdn Bhd
PCG	PETRONAS Chemicals Group
PDC	People Development Committee
PDPA	Personal Data Protection Act
PDR	Product Delivery Reliability
PDRM	Polis Diraja Malaysia (Royal Malaysia Police)
P-EDMS	PETRONAS Engineering Document Management System
PEMS	Predictive Emissions Monitoring System
PGU	Peninsular Gas Utilisation
PHA	Process Hazard Analysis
PHMSA	Pipeline and Hazardous Material Safety Administration
PIAP	Pre-Incident Action Plan
PIDS	Perimeter Intrusion Detection Systems
PLMS	PETRONAS License and Management System
PNB	Permodalan Nasional Berhad
PPE	Personal Protective Equipment
PPIC	PETRONAS Petroleum Industry Complex
PRA	Project Risk Assessment
PRIME	Predictive Revitalisation to Maximise Instrumentation Efficiency
PRM	PETRONAS Resiliency Model
PSE	Process Safety Essentials
PSM	Process Safety Management

ABBREVIATION	MEANING OR DEFINITION
PSSP	PETRONAS Supplier Support Programme
PTS	PETRONAS Technical Standards
PTW	Permit to Work
PV	Photovoltaic
QRA	Quantitative Risk Assessment
RADM	Risk Assessment and Decision-Making
RCA	Root Cause Analysis
REA	Registered Energy Auditor
REIT	Real Estate Investment Trust
RELA	Ikatan Relawan Rakyat (People's Volunteer Corps)
REM	Registered Energy Manager
RGT	Regasification Terminal
RGTP	Regasification Terminal Pengerang
RGTSU	Regasification Terminal Sungai Udang
RO	Regional Office
ROW	Right of Way
RUUPIN	Rang Undang-Undang Pasaran Industri Karbon (National Climate Change Act)
SASB	Sustainability Accounting Standards Board
SBTI	Science Based Targets Initiative
SCPD	Safety Critical Protective Device
SDG	Sustainable Development Goal
SEC	Specific Energy Consumption
SEMS	Safety and Environment Management System
SIEM	Security Information and Event Management
SIM	Social Impact Management
SIMOPS	Simultaneous Operations
SM	Senior Manager
SMK	Sekolah Menengah Kebangsaan (National Secondary School)
SOx	Sulfur Oxides
SR	Sustainability Report
SRA	Social Risk Assessment
SRC	Sustainability and Risk Committee
STEM	Science, Technology, Engineering and Mathematics
STS	Sewage Treatment System
SVC	Sustainable Value Creation
SWC	Sustainability Working Committee
TARA	Turnaround Risk Assessment
TC	Talent Council
TCFD	Task Force on Climate-related Financial Disclosures
TEP	Technical Energy Enrichment Programme

ABBREVIATION	MEANING OR DEFINITION
TNFD	Taskforce on Nature-related Financial Disclosures
TOR	Terms of Reference
TPI	Transition Pathway Initiative
TPQL	Technical Specialist Qualified Leaders
TPRM	Third Party Risk Management
TTS	Technical Trade Specialist
UAUC	Unsafe Act and Unsafe Condition
UG	Utilities Gebeng
UK	Utilities Kertih
UN	United Nations
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNGCMYB	United Nations Global Compact Malaysia and Brunei
UNGP	United Nations Guiding Principles
UNSDG	United Nations Sustainable Development Goals
USD	United States Dollar
UTP	Universiti Teknologi PETRONAS
VOC	Volatile Organic Compound
WBC	Whistleblowing Committee
WBCSD	World Business Council for Sustainable Development
WBS	Whistleblowing Secretariat
WEO	World Energy Outlook
WHS	World Heritage Sites
WRI	World Resources Institute
XPRESS	Express Registration for External Service Supplier
YHM	Yayasan Hijau Malaysia (Green Foundation Malaysia)
YP	Yayasan PETRONAS
ZeTo	Zero Tolerance
ZRF	Zero Routine Flaring

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