



PETRONAS

Shaping the **Next Era of Energy**

Integrated Report 2025





Statement of Purpose

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

Shared Values

Loyalty

Loyal to corporation

Integrity

Honest and upright

Professionalism

Strive for excellence

Cohesiveness

United, trust and respect for each other

PETRONAS Cultural Beliefs



Customer Focused

I deliver solutions from the customer lens



Innovate Now

I challenge norms and push boundaries



Be Enterprising

I seek opportunities and make them happen



Speak Up

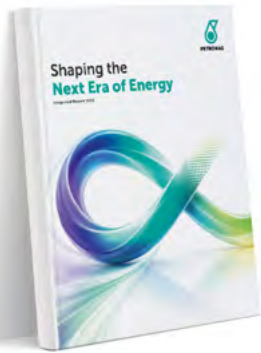
I express my views openly



Courage to Act

I take action to progress with pace

Inside This Report



Shaping the Next Era of Energy

The cover visual reflects PETRONAS' ongoing transformation under our Energy Transition Strategy, advancing a disciplined and balanced approach to the energy transition. The infinity loop symbolises an integrated portfolio that connects the core business with new growth areas, reinforcing the Group's ability to deliver sustained value over time.

Its fluid structure conveys agility and operational strength across the energy value chain, while the seamless flow represents how current capabilities are aligned with future opportunities. This reflects a measured approach to the energy transition, focused on optimising existing assets, scaling new lower-carbon solutions and maintaining resilience in a changing energy landscape.

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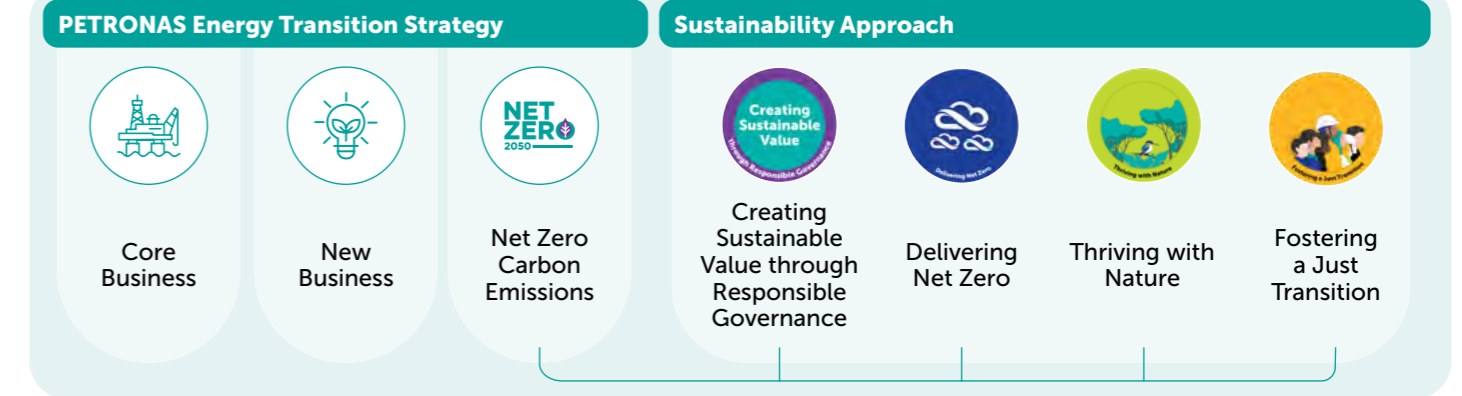
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Six Capitals

- FC** Financial Capital
- MC** Manufactured Capital
- HC** Human Capital
- IC** Intellectual Capital
- NC** Natural Capital
- SRC** Social and Relationship Capital

Key Stakeholders

- FG** Federal Government
- SG** State Governments
- HG** Host Governments
- C** Customers
- E** Employees
- SIC** Shareholders, Investors and Credit Rating Agencies
- M** Media
- GIP** Government-Linked Companies and Industry Partners
- IO** International Organisations
- CN** Communities and Non-Governmental Organisations

Key Risks

- MR** Market Risk
- FLR** Financial Liquidity Risk
- LR** Legal and Regulatory Risk
- SR** Sustainability Risk
- HSR** Health, Safety, Security and Environmental Risk
- GR** Geopolitical Risk
- HR** Hydrocarbon Reserves and Resources Risk
- TR** Technology Risk
- PER** Project Execution Risk
- HCR** Human Capital Risk

Material Topics

- CDP** Cyber Security and Data Protection
- CG** Corporate Governance
- EC** Economic Contribution
- EI** Ethics and Integrity
- HS** Health and Safety
- IT** Innovation and Technology
- CGE** Climate Change and GHG Emissions
- LCT** Lower-Carbon and Energy Transition Business
- CER** Circular Economy and Resource Use
- EM** Environmental Management
- NB** Nature and Biodiversity
- HC** Human Capital
- HR** Human Rights
- SC** Sustainable Supply Chain

Cross References

Indicates where additional information can be found in this report.

To access more information online: www.petronas.com

Scan the QR code to access additional information online.



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Basis of This Report

This Integrated Report sets out the performance of Petroliaam Nasional Berhad ('PETRONAS' or 'the Group') in 2025 and how the Group navigated the evolving energy landscape. It provides insight into our operating environment, strategic priorities, governance and financial as well as operational results, together with our outlook. The report reflects our role as a progressive energy company and aims to present a balanced view of how we create and sustain value over time.

Scope and Boundaries

The PETRONAS Integrated Report, published annually, presents information for the calendar year from 1 January to 31 December 2025, unless otherwise specified. It encompasses all operations and activities within PETRONAS and its subsidiaries, joint operations and associate companies. All monetary information is presented in Ringgit Malaysia (RM). This report was published in June 2026.

Reporting Frameworks and Standards

This Integrated Report has been prepared with reference to the following frameworks and standards:

- International Integrated Reporting <IR> Framework
- International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards S1 (General Requirements for Disclosures of Sustainability-related Financial Information) and S2 (Climate-related Disclosures)
- Malaysian Financial Reporting Standards (MFRS)
- Sustainability Reporting Guidance for the Oil and Gas Industry by Ipieca, the American Petroleum Institute (API) and the International Association of Oil and Gas Producers (IOGP) (revised 2025)
- Global Reporting Initiative (GRI) Standards (revised 2026)
- World Economic Forum (WEF) Stakeholder Capitalism Metrics

Materiality Considerations

Materiality guides the content and focus of this Integrated Report. PETRONAS applies a double materiality approach that assesses material matters based on their significance to stakeholders and their impact on the Group's ability to create value over time.

The material topics presented in this report reflect the sustainability-related matters most significant to PETRONAS and our stakeholders. These topics were identified through our 2024 assessment and revalidated in 2025. We organise the material topics under the following chapters, structured around the PETRONAS Sustainability Approach: Creating Sustainable Value through Responsible Governance, Delivering Net Zero, Thriving with Nature and Fostering a Just Transition.

Reporting Journey

We continue to strengthen our integrated reporting by deepening the links between strategy, financial performance, sustainability and long-term value creation.

The Group is progressing towards adoption of the IFRS Sustainability Disclosure Standards by 2027, in accordance with the requirements of Malaysia's National Sustainability Reporting Framework (NSRF).

In 2025, PETRONAS continued to enhance our sustainability disclosures, including climate-related information. This included strengthening climate-related reporting with reference to IFRS S2 and embedding it into strategy, capital allocation, risk management and performance monitoring. This approach supports investment decisions and the assessment of climate-related risks, opportunities, potential financial effects and transition pathways.

Forward-looking Statements

This publication contains forward-looking statements, with words such as 'believe', 'anticipate', 'intend', 'seek', 'will', 'plan', 'could', 'may', 'endeavour' and similar expressions used to represent our judgements and future expectations. These statements involve risk and uncertainty because they relate to future events and circumstances, and should be considered in light of various important factors.

Factors that could significantly deviate from our actual performance from the forward-looking statements include:

- Amendments to financial reporting, sustainability disclosure standards and related interpretations, applications and practices affecting past, present and future periods.
- Ongoing and future acquisitions.
- Shifts in domestic and international business and market conditions, as well as currency and interest rate fluctuations.
- Changes in domestic and international regulatory and legislative environments.
- Shifts in domestic and international operational, social, economic and political conditions.
- Potential labour disruptions and industrial actions.
- The outcome of any material litigation.

Assurance

The financial information included in this report was extracted from the consolidated Audited Financial Statements for the financial year ended 31 December 2025 and audited by KPMG PLT. KPMG PLT has reviewed financial-related information in this report and did not note any material inconsistencies with the said financial statements.



Scan the QR code to access the Audited Financial Statements 2025

Independent limited assurance on selected subject matter information was provided by SGS Malaysia Sdn Bhd (SGS) in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised 2015), Assurance Engagements Other than Audits or Reviews of Historical Financial Information. The assurance covered the following material topics:

- Corporate Governance
- Cyber Security and Data Protection
- Economic Contribution
- Human Capital
- Ethics and Integrity
- Health and Safety
- Environmental Management



Scan the QR code to access the Assurance Statement by External Auditor

The Group's greenhouse gas (GHG) emissions data covering Malaysia and global operations has been assured by LRQA Inspection Malaysia Sdn Bhd, an independent, accredited assurance provider. The data verification was performed in accordance with ISO 14064-3:2019 and covered the following scope and assurance levels:

Scope	Boundary Approach	Reporting Period	Assurance Level
Group-wide Operations Scope 1 and 2 - direct emissions and indirect emissions from purchased energy	Equity Share (inclusive of Operational Control)	2025	Limited
Group-wide and Core Business Operations (Upstream, Gas and Downstream) Scope 3 - other indirect value chain emissions:		2025	Limited
Category 11 - Use of Sold Products - Fuel;	Operational Control, Equity Share		
Category 1 - Purchased Goods and Services - Operational Control	Operational Control		



Scan the QR code to access the GHG Assurance Statements

Statement of Compliance

This report has been prepared in alignment with the International Integrated Reporting <IR> Framework.

As we mature our data governance and internal systems, we remain committed to progressing towards adoption of IFRS S1 and S2. Disclosures in this report reflect the Group's current readiness, with ongoing enhancements planned as systems, data quality and governance processes continue to mature.

Approval by the Board

The PETRONAS Board of Directors acknowledges its responsibility in ensuring the integrity of this Integrated Report which in the Board's opinion, addresses the Group's ability to create value and fairly presents the Group's integrated performance.

To the best of the Board's knowledge, this report has been prepared in accordance with the International Integrated Reporting <IR> Framework.

Approved by the Board of Directors and signed on behalf of the Board.

Tan Sri Dato' Seri Mohd Bakke Salleh
Chairman

Tan Sri Tengku Muhammad Taufik
President and Group Chief Executive Officer

Feedback and Point of Contact

We value stakeholder feedback and suggestions on this report. Please contact us in writing through:

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Group Strategic Relations and Communications
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Kuala Lumpur City Centre
50088 Kuala Lumpur, Malaysia

digital.comm@petronas.com

We Are Passionate About Progress

Petroliaam Nasional Berhad (PETRONAS) is a global integrated energy company committed to serving the world’s energy and solutions needs safely, reliably and sustainably.

Ranked 1st

Most Valuable Oil and Gas Brand in ASEAN*

* Brand Finance® Global 500 Report.

Top 5

Strongest Global Oil and Gas Brand*

Ranked Highest

ASEAN Brand for Sustainability Perceptions Value**

** Brand Finance Sustainability Perceptions Index 2025 Report.

Ranked 194th

The only Malaysian company on the Fortune Global 500®

Established in 1974 as Malaysia’s national oil and gas company, we balance our responsibility to support national energy security with our role as a global energy and solutions partner.

We continue to expand our portfolio of conventional hydrocarbon products and other energy offerings, alongside a diverse range of fuels, lubricants, chemical products and emerging energy solutions, to meet evolving customer needs amid rising energy demand and the global energy transition.

As we navigate the energy transition, we aim to strengthen our portfolio in line with our aspiration to be a trusted energy partner while advancing sustainable practices across our operations.

Malaysia Petroleum Management

Malaysia Petroleum Management oversees the management and development of Malaysia’s oil and gas resources, and the upstream petroleum industry as entrusted under the Petroleum Development Act 1974. We provide stewardship in building a robust and sustainable oil and gas ecosystem.

Our focus is on shaping Malaysia’s upstream industry into a thriving investment destination by cultivating a competitive and conducive environment, while ensuring optimum production through prudent and safe practices.

Upstream

The Upstream business explores, develops and produces oil and gas resources, with assets across Malaysia and 20 other countries. We are committed to maximising shareholder value through continuous portfolio high-grading and the delivery of advantaged barrels, defined by operational safety, lower cost and higher-margin production.

Sustainability is embedded in our operations through value-driven emissions reduction efforts including advancing carbon capture and storage (CCS) projects that support Malaysia’s potential as a CCS hub in the Asia-Pacific region.

Gas and Maritime

The Gas and Maritime business delivers integrated gas solutions and energy-related maritime services across the liquefied natural gas (LNG) value chain. Our capabilities span LNG, natural gas infrastructure and transportation, gas processing, as well as marketing and trading, supported by maritime assets serving offshore oil and gas activities.

A key differentiator is our industry-leading floating LNG (FLNG) portfolio, which pioneers the monetisation of stranded gas resources from shallow waters to deepwater and nearshore developments.

Through an integrated value chain and multiple supply nodes, we provide reliable and flexible natural gas and LNG supply, working closely with customers to meet evolving energy and transportation needs. This is enabled by an advanced, energy-efficient shipping fleet that ensures safe, efficient and dependable delivery across global markets, while supporting energy security and the transition toward lower-carbon solutions.

Downstream

The Downstream business spans refining, trading and marketing of crude oil and petroleum products, as well as the manufacturing and marketing of petrochemicals, intermediates and specialty chemicals. With an expansive global footprint, we supply hydrocarbon-derived products to more than 100 markets worldwide. We are strengthening the foundations of new business areas by pursuing future growth opportunities in specialty chemicals and seeking to deliver long-term customer value through investments in biofuels, more sustainable solutions and advanced fluid technologies.

We are also expanding our convenience offerings and integrating digital platforms for our products and services, enabling seamless access that addresses a wider range of consumer needs.

Gentari

Gentari is our wholly-owned subsidiary established to support the adoption and commercialisation of integrated clean energy solutions to complement existing energy systems. As a key driver in diversifying and future-proofing our portfolio, Gentari’s focus is on renewable energy, hydrogen and green mobility solutions that align with customers’ evolving decarbonisation needs across Asia Pacific.

With operations and projects spanning key markets across Asia Pacific, Gentari continues to expand its integrated clean energy portfolio through customer-centric innovation, agile execution and strategic collaborations that support the region’s evolving energy transition needs.

Other Business

Our other ventures include property investment, development and management, helmed by KLCC (Holdings) Sdn Bhd. Its listed entity, KLCCP Stapled Group, is Malaysia’s largest REIT and the country’s only stapled security, with landmark assets that include the PETRONAS Twin Towers.

Operations in over **100 countries** across **five continents**



Our Operations:

- 1 Asia Pacific
- 2 Central Asia
- 3 Middle East
- 4 Europe
- 5 Africa
- 6 North America
- 7 Latin America and the Caribbean

PETRONAS Energy Solutions

Supply and Generation

Products and Solutions

Utilisation



Exploration, Development and Production

Natural Gas

- Liquefaction
- Processing

Crude Oil

- Refining

Renewables

- Renewable Energy

- Liquefied Natural Gas

- Processed Gas

- Liquefied Petroleum Gas

- Commodity Chemicals

- Specialty Chemicals

- Petroleum and Bio-based Products

- Convenience Business

- Electricity and Storage

- Hydrogen

- Green Mobility

- Carbon Capture and Storage*

- Maritime and Logistics

- Property

- Power

- Industrial

- Commercial

- Residential

- Agriculture

- Transportation

Note:
* Under development.

2025 Key Highlights

Core Business
More Energy,
Less Emissions

- **Delivered strong dual-front performance across Malaysia and international portfolios**, achieving first hydrocarbon from 26 projects, 28 Final Investment Decisions (FIDs) and 12 exploration discoveries.
- **Sustained production at close to 2 million barrels of oil equivalent per day**, reinforcing Malaysia's position as a stable and reliable energy producer.
- **Expanded international footprint**, securing new upstream positions with **2 new blocks** and a Key Principles Agreement in Indonesia, **3 new blocks** in Suriname, an extended Production Sharing Agreement in Turkmenistan and **1 block** in Guyana.
- **Advanced Malaysia's frontier basin exploration**, acquiring over **3,000 sq km of 3D seismic data**, supported by RM500 million in data enrichment investments under the Technical Evaluation Agreement framework to de-risk exploration for investors.
- Strengthened **cross-border collaboration** with Brunei, setting a regional benchmark for borderless shared resources to accelerate project delivery, while securing long-term supply security and reducing emissions.
- Embarked on PETRONAS' **first-ever satellite business model** to unlock regional opportunities, and a **strategic partnership** to accelerate deepwater exploration and subsequent monetisation in East Malaysia and Indonesia.

- **Scaled artificial intelligence and engineering capabilities** through 7 strategic technology Memoranda of Understanding and agreements such as TriCiptaAI, Upstream Exploration and Development Modelling and Zero Emission Unconventional Power Station.
- **Established 120-megawatt Rancho Power gas-fired plant** in Labuan.
- **Secured approximately 4 million tonnes per annum of long-term liquefied natural gas (LNG) supply** through new agreements with partners internationally.
- **Expanded maritime delivery capability** with the addition of 8 LNG carriers to the maritime fleet.
- Successfully sailed PETRONAS' **first cargo from LNG Canada**, diversifying our LNG supply nodes.

- **Delivered Floating Production, Storage and Offloading Marechal Duque de Caxias (Mero-3) to nameplate production capacity** of 180,000 barrels of oil equivalent per day within 201 days of first oil.
- **Expanded PETRONAS-branded retail stations in Brazil** from 3 to 102 under the Retail Brand Licensing and Solutions model.
- **Grew the Setel™ user base to over 11 million registered users**, while supporting increased fuel transaction volumes following the nationwide implementation of the BUDI MADANI RON95 programme. Setel™ continues to serve as PETRONAS' digital platform for cashless fuel payments and integrated retail and mobility services.

New Business
Capturing
New Growth
Opportunities

- **Broke ground on PETRONAS' first biorefinery** at Pengerang Integrated Complex to produce Sustainable Aviation Fuel (SAF), renewable diesel (commonly known as Hydrogenated Vegetable Oil) and bio-naphtha.
- **Delivered Malaysia's first locally blended SAF** to Kuala Lumpur International Airport for the Malaysia Aviation Group, demonstrating end-to-end blending and supply capability.
- **Commissioned the new PETRONAS Application Technology Centre** in Shanghai, China to strengthen customer co-creation and faster product development for specialty chemicals across Asia.
- **Expanded saturated synthetic polyol ester portfolio** with 3 new high-performance synthetic fluids.
- **Secured Malaysia's first Offshore Assessment Permit** under the Carbon Capture, Utilization and Storage Act 2025 for the Duyong storage site.

- **Secured Malaysia's first fully funded National Carbon Capture project** targeting approximately 200 tonnes per day of carbon dioxide capture from steelmaking operations.
- **Achieved cumulative installed and under construction capacity of 9.1 gigawatts** across solar, wind and battery energy storage projects.
- Achieved **first power delivery** at the Hai Long Offshore Wind Project to advance offshore wind capability in Asia Pacific.

- **Advanced 175 kilotonnes per annum of matured hydrogen opportunities** across Asia and Europe.
- Delivered Peninsular Malaysia's **first Mobile Hydrogen Refuelling Station**, four months ahead of schedule.
- **Expanded regional electric vehicle charging network** to more than 1,100 charging points, and **enabled cross-border roaming through Gentari Go™**, providing access to approximately 10,000 charging points across Malaysia, Thailand, Singapore and India.

Net Zero Carbon Emissions
Pathway to Net Zero

- **Cumulative greenhouse gas (GHG) emissions reduction since 2013 amounted to 22.2 million tonnes of carbon dioxide equivalent (CO₂e)**. In 2025, Group-wide GHG emissions under equity share totalled 50.57 million tonnes CO₂e, representing a 5 per cent increase compared with the previous year.
- **Reduced methane emissions by 80 per cent** from the 2019 baseline across the Group's natural gas value chain.
- **Achieved Gold Standard Reporting** under the Oil and Gas Methane Partnership 2.0, reflecting the highest level of methane data quality and transparent disclosure across operated assets.

Delivering Asia's Energy Transition through Energy Asia 2025

The second edition of Energy Asia by PETRONAS took place in Kuala Lumpur from 16 to 18 June 2025 under the theme '**Delivering Asia's Energy Transition**'. Convening over 19,000 participants, the conference addressed the risks and opportunities shaping the region's energy future, from supply security and capital constraints to technology deployment and evolving policy frameworks.

A key milestone was the inaugural Energy Asia Global Leadership Executive Forum (EAGLe), a closed-door gathering of global CEOs and C-suite executives across energy, finance and technology. The forum established alignment on four priority actions, namely, strengthening system resilience, enhancing project bankability, reducing emissions while delivering social impact and accelerating the adoption of decarbonisation technologies.

The Executive Conference translated this leadership consensus into sector-focused dialogue, bringing together policymakers, industry leaders and investors to explore practical pathways, partnerships and opportunities across priority transition themes.

Concurrently, the Energy Park operated as a commercial marketplace for deployable technologies and integrated solutions, connecting startups, innovators and financiers to accelerate collaboration and investment pipelines.



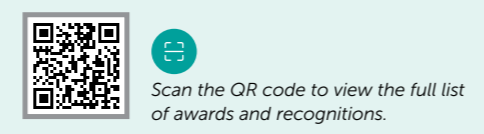
Energy Asia 2025 reinforced PETRONAS' role as a strategic convener, supporting dialogue, encouraging collaboration and contributing to practical, Asia-focused progress in the energy transition.

- Key shifts compared to Energy Asia 2023:
- **119 per cent increase in total speakers.**
 - **Stronger thought leader participation from across Asia Pacific.**
 - **Female speakers more than doubled to 86.**
 - **Stronger industry representation across the energy value chain.**

Energy Asia 2027 is set to build on this momentum. Scan the QR code to learn more.

Awards and Recognitions

PETRONAS has been honoured with a range of awards and recognitions in the year under review, reflecting the collective efforts of our people and the impact of our contributions to the energy industry. These accolades are a testament to our pursuit of operational excellence and responsible growth, and symbolise the trust and confidence placed in us by our stakeholders and the communities we serve.



Financial Performance

<p>Revenue</p> <p>RM266.1 billion</p> <p>2024: RM320.0 billion</p>	<p>Profit After Tax</p> <p>RM45.4 billion</p> <p>2024: RM55.1 billion</p>	<p>Cash Flows from Operations</p> <p>RM85.2 billion</p> <p>2024: RM102.5 billion</p>	<p>Total Assets</p> <p>RM775.0 billion</p> <p>2024: RM766.7 billion</p>
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Chairman's Letter



Tan Sri Dato' Seri Mohd Bakke Salleh
Chairman

Dear Stakeholders,

The year 2025 marked a pivotal inflection point, where deepening geopolitical divisions had significantly impacted trade flows, supply chains and market dynamics. Against this backdrop, PETRONAS remained steadfast in fulfilling our responsibilities, working to reinforce energy security and fulfil the expectations of our stakeholders and customers.

The prolonged tensions that defined the year under review have culminated in an ongoing conflict in West Asia as I pen this note. Accordingly, at the time of publication, the world continues to contend with significant disruptions to the energy system resulting from this conflict. This has further underscored the critical importance of energy to national security and the global economy.

As the economic landscape at large continues to be reshaped by these new realities, it falls upon industry players to collectively build a more resilient and reliable ecosystem capable of withstanding volatility. This was precisely what PETRONAS' efforts had been focused on in 2025.

Guided by our Energy Transition Strategy, PETRONAS laid strong foundations that enabled us to deliver a resilient performance for the year in review while ensuring security of energy supply for Malaysia and customers around the world. The Group's commitment towards our purpose as a progressive energy and solutions partner remains unwavering and this will continue to steer us forward.

Delivering Our Mandate

Over the past 50 years, the energy industry has evolved significantly, becoming increasingly interconnected and complex. Throughout this period, PETRONAS has continued to diligently discharge our obligations to Malaysia, with a clear focus on long-term growth.

For the year under review, the Group delivered a scheduled dividend payment of RM32.0 billion to the Government of Malaysia. PETRONAS also remains the sole contributor to the National Trust Fund established to ensure future generations of Malaysians will benefit from its natural resources. In 2025, we contributed RM500.0 million to the Fund, bringing the cumulative total to RM14.0 billion.

Since 1974, PETRONAS has contributed nearly RM1.6 trillion in overall economic value to the nation through dividends, royalties, taxes, cash payments, and other means.

Strengthening Ecosystem Resilience

Beyond fiscal contributions, PETRONAS, as the national oil company of Malaysia, works in close coordination with our key stakeholders to build a robust and resilient energy sector that serves the nation's long-term interests.

Part of our efforts in this regard focuses on nurturing a strong and competitive Oil and Gas Services and Equipment (OGSE) ecosystem. PETRONAS does so through initiatives that provide support to small and medium enterprises (SMEs) by developing technical capabilities, improving access to financing, and providing industry insights. In doing so, we aim to unlock the potential for these players to compete, innovate and scale.

To date, PETRONAS' Vendor Development Programme has benefitted 173 SMEs, which are now competing more effectively in the OGSE ecosystem. Meanwhile, 1,022 companies participated in the PETRONAS Supplier Support Programme since its inception in 2024, where they were guided on the adoption of sustainability principles and practices across their businesses.

In 2025, the Government of Malaysia rolled out the BUDI MADANI RON95 (BUDI95) programme, a targeted subsidy for RON95 petrol, for which PETRONAS played a key role in supporting its operationalisation. Through integration with our station infrastructure and mobile application, PETRONAS supported this large-scale national initiative through to successful implementation, delivering tangible value for Malaysians who rely on the system every day.

These efforts demonstrate the effectiveness of PETRONAS' collaborative approach with government and industry partners in advancing sustainable progress within a dynamic and interconnected energy ecosystem.

Creating Positive Impact

PETRONAS believes that holistic and sustainable progress can only be achieved when it is made alongside communities. Since inception, we have established long-standing efforts to create positive social impact in Malaysia and in global communities where we operate.

Under the PETRONAS Powering Knowledge® Education Sponsorship programme and other youth development initiatives, thousands of students have gained access to quality education and leadership development opportunities. Since 1975, PETRONAS has invested over RM3.8 billion through PETRONAS Powering Knowledge® Education Sponsorship, benefitting more than 40,000 Malaysian students.

Beyond this, PETRONAS contributed over RM500.0 million through social impact programmes during the year under review, impacting a large number of individuals worldwide. These programmes were carried out in close collaboration with ministries and local partners, ensuring meaningful impact was made where the communities needed them the most.

Pathway to a Sustainable Future

Since the launch of PETRONAS' Net Zero Carbon Emissions by 2050 Pathway, the Group remains committed in our efforts to manage emissions in support of Malaysia's national commitments. While industry trends have seen a notable shift from energy transition to energy addition, PETRONAS' pragmatic approach is envisaged to guide the Group towards our aspiration while still delivering energy reliably.

Since 2013, PETRONAS has reduced its annual emissions by 22.2 million tonnes of carbon dioxide equivalent (MtCO2e) through the implementation of emission reduction projects across our operationally controlled assets.

Further to this, PETRONAS has reinforced its commitment to protecting and conserving nature through two clear targets: no net loss of biodiversity in existing operations from 2030 onwards and net positive impact for all new projects from 2024 onwards. The Group also introduced resource efficiency targets in Malaysia to be achieved by 2030. These include a 14 per cent reduction in freshwater used in water-stressed areas and an 82 per cent hazardous waste circularity target.

Moving Forward

The past few years have fundamentally reshaped the operating landscape. Looking ahead, we expect sustained volatility in key market dynamics, even as global energy demand continues to grow.

PETRONAS has always adopted a prudent approach of disciplined capital allocation, underpinned by strong governance and risk oversight. This has enabled us to establish a solid foundation focused on liquidity, value-accretion and long-term growth.

The Board is confident that the measures taken to enhance agility and sharpen strategic clarity will bolster the Group's resilience, paving the way for us to continue delivering energy and value to our stakeholders and customers.

Moving forward, PETRONAS remains committed to nurturing our invaluable partnerships with governments, partners, employees and communities. Through collaboration and engagement, we will continue to foster greater alignment and encourage regional discourse on energy affordability, security and transition pathways as we did in 2025, through our support of Malaysia's ASEAN Chairmanship and Energy Asia.

Acknowledgments

On behalf of the Board, I would like to extend my appreciation to Tan Sri Tengku Muhammad Taufik, President and Group Chief Executive Officer, and the Executive Leadership Team for their steadfast commitment in helming the Group through a challenging operating year.

I also convey my sincere gratitude to all PETRONAS employees for their unfaltering and indomitable dedication, and for upholding the timeless PETRONAS Shared Values in an environment that demanded swift adaptability and rigorous execution.

Finally, I would like to thank our valued stakeholders for their continued confidence in PETRONAS. As we prepare for the year ahead, we remain steadfast in strengthening the partnerships that enable us to deliver long-term value to the nation. Thank you.

President and Group Chief Executive Officer's Letter



Tan Sri Tengku Muhammad Taufik
President and Group Chief Executive Officer

Dear Stakeholders,

In 2025, PETRONAS was steadfast in our focus on delivering long-term value and energy security amid unrelenting volatility throughout the course of the year. This firm commitment continued to steer PETRONAS in discharging our critical role as a trusted energy and solutions partner, both to Malaysia as its national oil company and to our customers around the world.

Uncertainty has undeniably become a defining feature in the energy industry today. In anticipating more headwinds in the macro environment, PETRONAS' priority in 2025 was to build resilience through projects and partnerships that strengthen operational reliability, accelerate value delivery, and diversify our supply nodes as well as revenue streams.

As you read this report, the escalating conflict in West Asia continues to fundamentally shift the global economic and geopolitical order. This has irrevocably impacted financial markets, trade and logistics, and importantly, the world's entire energy system.

I am pleased to report that PETRONAS has put in place strong foundations through our achievements in 2025. Moving forward, the Group will continue working with governments, businesses and partners to ensure that energy continues to flow reliably and responsibly.

Safety Above All

PETRONAS' results in 2025 were made possible by the contribution of our dedicated employees across the Group, who prioritised safety in all our undertakings. In delivering these results, PETRONAS recorded zero fatalities in 2025. However, the Group also saw a 40 per cent increase in Lost Time Injury Frequency. In tackling this, PETRONAS will continue reinforcing a culture of safety and take measures to create a safer environment for our colleagues, partners and in locations where we operate.

Regrettably, one major fire incident occurred at the Putra Heights gas pipeline in Selangor, Malaysia. In the immediate aftermath of this tragic incident, PETRONAS and its subsidiary, PETRONAS Gas Berhad, worked closely together with the relevant government authorities on a rapid and coordinated emergency response to stabilise the situation.

Efforts in this regard included fire containment, public safety, assistance to those affected and ensuring the security of gas supply. PETRONAS remains fully committed to our ongoing cooperation with all stakeholders involved in strengthening the safety and reliability of all our facilities.

Delivering Value

In navigating the market headwinds that are increasingly difficult to predict, PETRONAS took an approach of prudent financial management and disciplined capital allocation to preserve long-term value.

Guided by this, PETRONAS delivered a resilient financial performance in 2025, with a Profit After Tax of RM45.4 billion on the back of RM266.1 billion in revenue. Earnings before Interest, Taxes, Depreciation and Amortisation stood at RM103.0 billion for the year under review.

PETRONAS maintained a robust financial position, supported by strong operating cash flows and disciplined cost management. Cash Flows from Operations stood at RM85.2 billion, ensuring the Group retained robust capacity to fund operational requirements, capital investments, debt obligations and shareholder returns.

Total assets increased to RM775.0 billion, while capital expenditure was at RM41.6 billion, of which 60 per cent had been invested in Malaysia in support of national energy security and the local Oil and Gas Services and Equipment sector.

Building Resilience

PETRONAS' financial performance in the year under review is testament to the clear vision and continued relevance of our Energy Transition Strategy, which focused on strengthening Core Business, accelerating value-accretive growth in New Business, while responsibly managing emissions across the Group. Since its introduction in 2022, this strategy has steered the Group towards continued value delivery and energy security.

In 2025, some of PETRONAS' achievements in this regard include:

- ▶ Diversified our LNG supply with the commissioning of LNG Canada Trains 1 and 2 in British Columbia. This new heartland complements the PETRONAS LNG Complex in Bintulu, Malaysia and our two Floating LNG facilities, further establishing our market leadership in LNG.
- ▶ Expanded our international upstream portfolio through Production Sharing Contracts (PSCs) in Suriname and Guyana, Key Principles Agreement for the North Sumatra Offshore PSC opportunities through Vestigo, two Memoranda of Understanding for exploration collaboration in the Middle East and Southeast Asia, and Final Investment Decision for the Kelidang Cluster Development in Brunei.
- ▶ Positioned the Group for more efficient upstream development in Southeast Asia through PETRONAS' first satellite business model partnership with Eni. This strategic collaboration entailed the consolidation of selected upstream assets to strengthen capital efficiency and accelerate project development cycles.
- ▶ Strengthened our bio-based value chain with the groundbreaking for PETRONAS' first biorefinery at the Pengerang Integrated Complex in Johor, Malaysia. This will pave the way for us to deliver Sustainable Aviation Fuel (SAF), Hydrogenated Vegetable Oil and bio-naphtha.
- ▶ Advanced progress in regional interconnectivity through a Joint Development Agreement among MY Energy Consortium (established between PETRONAS and Malaysian utilities player, Tenaga Nasional), PetroVietnam Technical Services Corporation and Sembcorp Utilities to export renewable electricity from Vietnam to Singapore and Malaysia.
- ▶ Expanded our suite of lower-carbon energy and solutions offering by achieving 9.1 gigawatts of installed and under-construction renewables capacity; 1,181 electric vehicles charging points across Malaysia, Thailand and India; and signed the first long-term sale and purchase agreement with Uniper SE for the supply of up to 500 kilotonnes per annum of Renewable Fuels of Non-Biological Origin-compliant green ammonia.
- ▶ Enhanced our in-house capabilities to support emissions reduction in aviation through the delivery of Malaysia's first locally blended SAF to Kuala Lumpur International Airport.
- ▶ Achieved an 80 per cent reduction in methane emissions across the Group-wide natural gas value chain, exceeding our target of 50 per cent reduction by 2025.

Looking Ahead

In 2026, PETRONAS will continue to ramp up efforts that will better position the Group to deliver consistently and reliably to our stakeholders and customers. As the operating environment is being jarringly reshaped by persistent geopolitical and market pressures, PETRONAS has acted proactively to put in place measures to strengthen the resilience of our business and portfolio.

Moving forward, we will intensify our focus on value-accretive undertakings and pursue strategic partnerships to accelerate value delivery, even as we diversify supply pathways and vigorously pursue improved efficiency while responsibly managing emissions.

In this opportunity, I would like to extend my heartfelt appreciation to the Chairman, Tan Sri Dato' Seri Mohd Bakke Salleh, and the PETRONAS Board of Directors for the stewardship and support extended, as well as to the Federal and State Governments in Malaysia, the host governments across our global operations and partners for the trust placed in PETRONAS.

Last but certainly not least, I wish to put on record my sincere thanks to all the employees of PETRONAS, whose unshakeable fortitude, resilience and invaluable contributions were crucial in delivering the Group's 2025 achievements.

As we look ahead, PETRONAS remains resolute in fulfilling our purpose by growing our role as an energy and solutions provider, contributing towards economic growth and ensuring the energy security of those we serve across the globe.

PETRONAS Energy Transition Strategy



Employees on routine walkabout at Malaysian Refining Company in Melaka, Malaysia.

The PETRONAS Energy Transition Strategy charts our path forward in a rapidly evolving energy landscape shaped by the ongoing imperatives of security, affordability and sustainability. We leverage our integrated portfolio, capital discipline and execution capability to support our ability to deliver energy that is reliable, affordable and progressively lower-carbon.

Our Energy Transition Strategy is anchored on **three strategic pillars**: strengthening and delivering our Core Business, scaling New Business and pursuing a credible Pathway to Net Zero by 2050.

Collectively, these pillars position us to deliver reliable energy solutions with lower emissions that adapt to evolving customer needs, diversify our portfolio through disciplined expansion into lower-carbon businesses, and embed decarbonisation and sustainability considerations into how we allocate capital and make strategic decisions.



Core Business More Energy, Less Emissions

What It Means

Core Business centres on delivering an integrated hydrocarbon value chain, with a disciplined focus on progressively lowering carbon intensity across operations. It encompasses our Upstream, Gas and Maritime, and Downstream segments, spanning both domestic and international footprints.

As a substantial component of our portfolio, Core Business remains a primary cash generator, sustaining current commitments while providing the financial capacity to fund New Business growth and progress our decarbonisation agenda.

We are strengthening our Core Business through more differentiated business and partnership models, and increasing capital recycling to unlock the next wave of growth and drive value creation.

In Malaysia, Core Business continues to serve as a critical economic pillar, catalysing foreign direct investment and supporting the resilience of the local Oil and Gas Services and Equipment ecosystem.

Decarbonisation and sustainability considerations are increasingly embedded into investment and operational decisions, ensuring the systematic reduction of carbon intensity across our Core Business portfolio.

The **three primary areas** of PETRONAS Core Business are:

Core Business

Upstream

- Our Upstream strategy focuses on delivering advantaged barrels safely at low cost and lower emissions, while strengthening long-term competitiveness by accelerating value delivery across the exploration, development and production life cycle.
- We prioritise disciplined portfolio management through high-grading and optimisation, faster maturation of resources and selective capital deployment to enhance resilience and value creation.
- Operational excellence remains a core pillar, anchored in fit-for-purpose design, standardised development models and disciplined execution, delivering safer, lower-cost and lower-emissions production through integrated planning and strong asset reliability.
- Advanced digital and data-driven capabilities are progressively embedded to improve decision quality, resource certainty and recovery outcomes.
- Safety, reliability and environmental responsibility are integral to how we operate. We continue to strengthen lower-emission practices across our Upstream activities, including emissions management and readiness for carbon capture and storage (CCS) solutions.
- We actively pursue strategic partnerships and technology collaborations to enable sustainable growth, strengthen competitiveness and build long-term resilience in a changing energy landscape.

Gas and Maritime

- Our Gas and Maritime business is evolving into a provider of integrated, more emission-efficient energy solutions, driven by a commitment to supply resilience, commercial agility and operational excellence. Anchored by a portfolio where gas comprises two-thirds of our mix, we are strategically positioned to play a key role in the global energy transition.
- We are expanding our supply base and penetrating new markets by balancing long-term asset-backed positions with flexible, asset-light arrangements. This ensures a competitive supply of lower-carbon liquefied natural gas (LNG) as a critical transition fuel for our customers globally.
- We deliver high-efficiency maritime services by deploying vessels with reduced emissions and optimising fleet utilisation, creating enterprise-wide synergies across the LNG value chain.
- Our offerings span the full spectrum, from infrastructure and processing to transportation and trading, supported by targeted decarbonisation initiatives that reinforce our commitment to a net-zero carbon future.

Downstream

- Our Downstream business refines, trades and markets crude oil, petroleum products and chemicals, including commodity and specialty chemicals, for domestic and international markets.
- We create and preserve value in retail, commercial and industrial segments across commodity cycles by leveraging operational excellence of integrated assets and deep market insights.
- We expand product offerings and solutions that evolve with market and customer needs, through strategic partnerships and differentiated business models, providing new value sources to Downstream.

What It Delivers

- Energy security by ensuring stable and reliable supply to domestic and international markets.
- Strong cash flows to fund dividends to shareholders and reinvestment into New Business and energy transition initiatives.
- A lower greenhouse gas intensity hydrocarbon portfolio, supporting long-term resilience and sustainability.

PETRONAS Energy Transition Strategy



New Business Capturing New Growth Opportunities

What It Means

New Business represents our pursuit of portfolio diversification, guided by evolving customer needs and the transition towards a cleaner, lower-carbon and more sustainable energy system.

Our investments in New Business remain deliberate, selective and disciplined, with a clear focus on capital efficiency and value accretive outcomes.

Complementing our hydrocarbon-based solutions, New Business enables integrated lower-carbon solutions that address customer demand for energy security while meeting their carbon reduction and cost targets.

In doing so, New Business provides a hedge against earnings volatility arising from the inherent cyclicity of oil and gas markets, helping to preserve overall portfolio resilience.

Today, PETRONAS is advancing **six New Business verticals**:

New Business

Renewable Energy

We pursue renewable energy growth with discipline, in selected countries with strong demand growth, activate best-practice funding structures that can deliver robust returns, emphasise renewable energy-hydrogen synergies and unlock value through long-duration energy storage.

Specialty Chemicals

We strengthen our specialty chemicals portfolio through continuous innovation and disciplined growth, with a differentiated approach from product to product, while gaining access to new capabilities, markets and geographies.

Bio-based Value Chain

We embark on bio-based solutioning aligned with evolving customer preferences, ensuring a sustainable value chain, leveraging strategic partnerships to accelerate market access and capability development.

Hydrogen

We undertake progressive growth in green hydrogen and ammonia projects, secure offtake to underpin investments, improve cost competitiveness and strengthen market positioning through partnerships and technology, balancing long-term hydrogen market potential and short-term challenges.

Green Mobility

We expand electric vehicle charging infrastructure, leveraging partnerships to support growing adoption of sustainable mobility solutions.

Carbon Capture and Storage

We are building a carbon capture and storage (CCS) ecosystem to position Malaysia as a regional hub, enabling decarbonisation across industries. By leveraging our subsurface expertise, existing infrastructure and strategic partnerships across the CCS value chain, we are developing scalable carbon management capabilities to address residual emissions that cannot be eliminated through operational efficiency alone.

What It Delivers

- Diversification of revenue streams beyond traditional hydrocarbons.
- Integrated solutions to customers.
- Strengthens PETRONAS' position as an integrated energy company, supporting long-term growth.



Net Zero Carbon Emissions Pathway to Net Zero

What It Means

We pursue our pathway to net zero carbon emissions (NZCE), aligned with our commitment to achieve NZCE by 2050, by embedding decarbonisation across our portfolio. Decarbonisation and sustainability considerations are increasingly integrated into investment and operational decisions, ensuring the systematic reduction of carbon intensity across our portfolio.

The energy transition is not linear. Over the past year, its pace has evolved in response to policy developments, cost dynamics and technological progress. As a result, today's transition is increasingly shaped by pragmatic and practical solutions that balance emissions reduction with energy security and affordability.

In this context, we adopt a disciplined and integrated approach that focuses on practical and scalable solutions, portfolio prioritisation and capital discipline to deliver measurable emissions reduction. This ensures our decarbonisation efforts remain responsible, credible and aligned with business realities.

Our decarbonisation efforts are driven by **four key abatement levers**, which form the foundation of our operational emissions reduction pathway:

Key Abatement Levers

Zero Routine Flaring and Venting

We commit to systematically eliminating routine flaring and venting across existing and new production sites in support of the World Bank's Zero Routine Flaring by 2030 initiative. This includes flare gas recovery, enhanced compressor capacity and the conversion of venting-to-flare systems - recovering otherwise-wasted gas, and reducing methane and carbon emissions from upstream operations.

Energy Efficiency

We drive energy efficiency across our operations through optimising asset performance, deploying digital solutions and implementing targeted process improvements to reduce greenhouse gas intensity. This includes enhancements in plant performance, heat recovery and equipment efficiency, enabling us to deliver more output with less energy.

Electrification

We electrify our operations, where feasible, with lower-carbon power through asset modification, infrastructure development and the integration of renewable energy, reducing direct emissions from on-site combustion.

Carbon Capture and Storage

We advance carbon capture and storage (CCS) solutions to capture carbon dioxide from identified high-emission assets and store it securely in geological formations. CCS supports the reduction of residual emissions that cannot currently be eliminated through operational efficiency, electrification or other abatement measures.

Beyond operational decarbonisation, our Net Zero Carbon Emissions by 2050 Pathway is supported by broader sustainability considerations, including the protection of nature and biodiversity, and respect for human rights. These priorities are addressed through our Sustainability Approach.

What It Delivers

- Reduction of operational emissions.
- Alignment with evolving regulatory and policy requirements.
- Strengthening access to transition finance and sustainable capital to support PETRONAS' long-term transformation.

Value Creation Model

PETRONAS Energy Transition Strategy

Core Business
More Energy,
Less Emissions

New Business
Capturing
New Growth
Opportunities

Net Zero Carbon Emissions
Pathway to
Net Zero

Our Capitals	Inputs	Activities	Outputs and Outcomes	Trade-offs	Stakeholders
<p>FC Financial Capital Capital available to the Group to finance our operations, activities and investments in growth areas.</p> <ul style="list-style-type: none"> • RM775.0 billion in total assets. 	<p>MC Manufactured Capital Assets and infrastructure that underpin our business.</p> <ul style="list-style-type: none"> • RM283.9 billion in property, plant and equipment. 	<p>Activities</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Liquefaction</p> </div> <div style="text-align: center;"> <p>Processing</p> </div> <div style="text-align: center;"> <p>Refining</p> </div> <div style="text-align: center;"> <p>Renewable Energy</p> </div> </div>	<p>FC Sustaining profitability and growth to meet Malaysia's and customer markets' current and future energy needs through reinvestment, emissions reduction efforts and dividends.</p> <ul style="list-style-type: none"> • RM45.4 billion profit after tax. • RM32.0 billion dividend to the government. 	<ul style="list-style-type: none"> • Continued investment in hydrocarbon resources supports energy security and current energy demand. However, where emissions cannot yet be fully abated, these investments may increase exposure to climate-related impacts and transition risks, reflecting the balance between sustaining Financial and Manufactured Capital while managing impacts on Natural Capital as lower-carbon energy solutions and business models continue to scale. 	
<p>HC Human Capital Workforce that delivers on our strategy and long-term value.</p> <ul style="list-style-type: none"> • RM439.0 million of total investment in employee training. 	<p>IC Intellectual Capital Proprietary technologies, solutions and organisational systems that deliver value and growth.</p> <ul style="list-style-type: none"> • RM413.0 million in technology investments. 	<p>Sustainability Approach</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Creating Sustainable Value through Responsible Governance</p> </div> <div style="text-align: center;"> <p>Thriving with Nature</p> </div> </div>	<p>MC Managing a resilient asset and infrastructure portfolio aligned with strategic goals for long-term productivity.</p> <ul style="list-style-type: none"> • 36.6 million metric tonnes LNG sales. • 10.5 million metric tonnes of chemical sales volume. • 209.4 million barrels of petroleum products sales volume. 	<ul style="list-style-type: none"> • Investments in Manufactured, Natural and Intellectual Capitals, ranging from emissions reduction technologies to capability building, require significant Financial Capital. While this may create short-term financial pressure, this balancing is important to secure future value and long-term resilience. 	
<p>HC Human Capital Workforce that delivers on our strategy and long-term value.</p> <ul style="list-style-type: none"> • RM439.0 million of total investment in employee training. 	<p>NC Natural Capital Manage impacts on land, water, air and biodiversity through responsible operations and resource use.</p> <ul style="list-style-type: none"> • Over RM4.0 billion directed to emissions reduction projects and cleaner energy solutions. • 7.92 billion barrels of oil equivalent (boe) 2P Reserve.* <p>Note: * 2P Denotes the best estimate of Reserves. The sum of Proved plus Probable Reserves.</p>	<p>Delivering Net Zero</p> <p>Refer to Our Approach to Sustainability on pages 40 to 41 and Material Topics on pages 42 to 45.</p>	<p>HC Strengthening a skilled talent and succession pipeline.</p> <ul style="list-style-type: none"> • 49 learning hours per employee on average. 	<ul style="list-style-type: none"> • Strengthening Intellectual and Human Capitals through talent development, innovation and knowledge-sharing may constrain Financial Capital in the short-term. However, these investments build future talent capabilities that enhance operational effectiveness, innovation and competitiveness while contributing to Malaysia's socio-economic progress. 	
<p>NC Natural Capital Manage impacts on land, water, air and biodiversity through responsible operations and resource use.</p> <ul style="list-style-type: none"> • Over RM4.0 billion directed to emissions reduction projects and cleaner energy solutions. • 7.92 billion barrels of oil equivalent (boe) 2P Reserve.* <p>Note: * 2P Denotes the best estimate of Reserves. The sum of Proved plus Probable Reserves.</p>	<p>SRC Social and Relationship Capital Our engagements and relationships with stakeholders, including government agencies, local communities, industry partners and customers.</p> <ul style="list-style-type: none"> • Contributed more than RM500.0 million worldwide on social impact programmes. 	<p>Operating Landscape</p> <ul style="list-style-type: none"> • Macroeconomic and Policy Realignment • Energy Markets and Capital Discipline • Oil Price Volatility • Energy Transition and Climate Regulation • Technology and Capability Evolution <p>Refer to Operating Landscape on pages 22 to 25.</p>	<p>IC Strengthening long-term resilience by investing in research and development, technology and new businesses.</p> <ul style="list-style-type: none"> • 19 intellectual property (IP) filed. • 78 patents secured. 	<ul style="list-style-type: none"> • Strengthening Intellectual and Human Capitals through talent development, innovation and knowledge-sharing may constrain Financial Capital in the short-term. However, these investments build future talent capabilities that enhance operational effectiveness, innovation and competitiveness while contributing to Malaysia's socio-economic progress. 	
<p>SRC Social and Relationship Capital Our engagements and relationships with stakeholders, including government agencies, local communities, industry partners and customers.</p> <ul style="list-style-type: none"> • Contributed more than RM500.0 million worldwide on social impact programmes. 	<p>Key Risks</p> <ul style="list-style-type: none"> • Market • Financial Liquidity • Legal and Regulatory • Sustainability • Health, Safety, Security and Environmental • Geopolitical • Hydrocarbon Reserves and Resources • Technology • Project Execution • Human Capital <p>Refer to Risks Linked to Creating Value on pages 26 to 39.</p>	<p>Operating Landscape</p> <ul style="list-style-type: none"> • Macroeconomic and Policy Realignment • Energy Markets and Capital Discipline • Oil Price Volatility • Energy Transition and Climate Regulation • Technology and Capability Evolution <p>Refer to Operating Landscape on pages 22 to 25.</p>	<p>NC Responsible resource use and ecosystem management to ensure operational continuity, compliance and long-term value.</p> <ul style="list-style-type: none"> • 2,423 thousand barrels of oil equivalent (boe) per day crude oil, condensates and natural gas production. • 1.0 million tonnes of CO₂e emissions reduced annually from 24 projects, with overall annual emissions decreasing by 0.3 per cent to 55.6 per cent. • 62,828 tonnes total hazardous waste reduced, reused and recycled. • More than 40,000 mangrove saplings planted under the Blue Carbon Collective. 	<ul style="list-style-type: none"> • Supporting social progress through community projects. • More than 2.5 million lives reached through community initiatives. 	

Our Operating Landscape

The operating landscape in 2025 reflected a world of slower growth, shifting policies and stricter regulations. Global economic growth moderated as elevated interest rates, heightened geopolitical tensions and widening trade fragmentation weighed on investment. This occurred even as energy demand continued to grow and oil and gas remained key in meeting the world's energy needs.

The year also saw markets going through increased volatility, intensifying challenges in portfolio planning in the oil and gas sector, which typically have long-term developments. This affected oil and gas service providers that rely on continuous project sanctioning.

This mix of pressure created an environment in which the world demanded more energy but with stronger governance and greater transparency to ensure lower emissions. For us, this meant navigating several transitions simultaneously: economic divergence, energy transition, regulatory tightening and technological change. All of these factors shaped how we planned, invested and operated throughout the year.



Key Themes in 2025

● **Macroeconomic and Policy Realignment**

● **Energy Markets and Capital Discipline**

● **Oil Price Volatility**

● **Energy Transition and Climate Regulation**

● **Technology and Capability Evolution**

What Is Changing	What It Means for PETRONAS
<ul style="list-style-type: none"> • Slower global growth. • Fiscal reform. • Carbon pricing preparation. 	Shifts in demand, pricing dynamics and long-term cost structures.
<ul style="list-style-type: none"> • Oil and gas demand growth under current policies. • Slowing LNG demand growth in the long-term. • Pressure on chemicals margins. 	Heightens need for cost leadership and portfolio discipline.
<ul style="list-style-type: none"> • Range-bound, volatile prices with oversupply risk. 	Increases pressure on margins and investment selectivity.
<ul style="list-style-type: none"> • Climate disclosure shifting from voluntary to regulatory. • Carbon cost emerges. 	Makes decarbonisation and data quality business-critical.
<ul style="list-style-type: none"> • AI, digitalisation and future-ready skills. 	Enhances productivity upside and reskilling pressure.

Our Operating Landscape

Macroeconomic and Policy Realignment

Context and Trends

Global growth moderated as interest rates remained elevated relative to post-pandemic lows, despite being eased from its peak level. This was further compounded by geopolitical tensions and widening trade fragmentation. Taken together, these factors have slowed investments for 2025. The International Monetary Fund projected global growth of about 3.0 per cent to 3.2 per cent in 2025, with inflation easing but real rates remaining structurally higher than in the previous decade.

Malaysia's economy was resilient, with gross domestic product growth accelerating to 5.2 per cent in 2025, from 4.2 per cent a year earlier, supported by strong domestic consumption and favourable exports. The government advanced fuel subsidy rationalisation through the BUDI MADANI RON95 (BUDI95) programme and is prepared to introduce a carbon tax for emissions-intensive sectors. Malaysia also launched the National Sustainability Reporting Framework (NSRF), aligned with the International Financial Reporting Standards (IFRS) S1 and S2, with a stronger emphasis on assurance.

These developments raise cost exposure for high-emitting assets and may compress margins in upstream, gas and downstream businesses if efficiency and decarbonisation do not keep pace. They also lift compliance and assurance costs, influence domestic pricing and demand behaviour, while shaping investment certainty through evolving state-federal dynamics.

Our Efforts

- Built carbon pricing assumptions into project economics and capital allocation.
- Intensify energy efficiency efforts in core asset and advocate industry imperatives to support the development of the Carbon Capture, Utilization and Storage (CCUS) Act 2025.
- Embedded IFRS S2-aligned disclosures across governance, strategy, risk, metrics and targets, and phased in independent assurance of greenhouse gas (GHG) emissions data.
- Refined our energy transition focus towards advantaged barrels, liquefied natural gas (LNG), carbon capture and storage (CCS) and new energy.

Outlook

Regulatory complexity and disclosure demands will continue to rise. Carbon pricing and fuel subsidy reform will favour players with credible decarbonisation plans and low-cost supply.

Energy Markets and Capital Discipline

Context and Trends

Under current policies, global oil and gas demand could continue rising through 2050, with oil consumption increasing from about 100 million barrels per day in 2024 to around 105 million barrels per day by 2035, and potentially 113 million barrels per day by 2050. Fossil fuels still supply nearly four-fifths of global energy.

LNG supply is set to expand by about 50 per cent by 2030, driven by new projects in the United States, Qatar and Africa. Asia remains the main demand centre, but some markets showed softness and price sensitivity in 2025. Chemicals faced margin pressure from overcapacity in China and slower global growth.

These trends raise price and utilisation risk in gas projects and intensify margin pressure in chemicals, underscoring the need for sharper portfolio choices.

Our Efforts

- Focused on low-cost, lower-carbon barrels and molecules, prioritising high-return, low unit-cost developments.
- Reinforced LNG competitiveness through cost control, reliability and integrated trading.
- High-graded the portfolio by rationalising lower-return assets and investing selectively in advantaged resources.
- Continued growth in specialty chemicals while progressively integrating with lower-carbon solutions.

Outlook

Oil and gas will remain central to energy systems, especially in Asia, but growth demand will slow and competition will intensify. Success will depend on supplying cleaner molecules at competitive cost while building lower-carbon businesses.



Scan the QR code to view our PETRONAS Activity Outlook 2026 to 2028, which provides Malaysia's OGSE industry with insights into forecasted activities across our Upstream, Downstream, and Gas and Maritime businesses for the Malaysian operations.

Oil Price Volatility

Context and Trends

Slowing economic expansion and trade fragmentation tempered oil demand growth. Outlooks show no clear peak in oil demand before 2035 under current policies, but short-term supply surpluses and capacity additions keep markets well supplied. Geopolitics, OPEC+ policy and United States shale responsiveness continue to drive volatility.

Lower average prices in the first half of 2025 reduced our revenue and profit compared with the prior year. Prolonged moderate prices compressed margins and raised the importance of disciplined capital allocation.

Our Efforts

- Applied conservative price assumptions in investment cases and stress-tested projects against downside scenarios.
- Phased capital expenditure (CAPEX) to protect balance sheet strength.
- Intensified cost efficiency, digitalisation and reliability initiatives to sustain margins at lower price levels.

Outlook

Prices will likely remain volatile, driven by geopolitical risk and OPEC+ policy, with supply tightness due to the current US-Israel war with Iran.

Energy Transition and Climate Regulation

Context and Trends

Investment in renewables, CCS and hydrogen continued to rise, even as oil and gas demand grew under current policies. Climate reporting shifted from a voluntary practice to a regulatory expectation.

The International Sustainability Standards Board's (ISSB) IFRS S1 and S2 took effect globally from 2024. Malaysia launched the NSRF, to be implemented in phases, and had announced plans to introduce a carbon tax in 2026, though the government has since indicated it will review the implementation timeline, while maintaining its long-term commitment to carbon pricing as part of the National Climate Change Bill and National Carbon Market Policy.

These shifts raise compliance expectations and place carbon costs directly into business decisions.

Our Efforts

- Embedded climate-considerations into governance, strategy, risk management and performance in line with IFRS S2.
- Strengthened emissions measurement, controls and assurance.
- Enhanced methane emissions measurement precision and reporting transparency to sustain the Oil and Gas Methane Partnership 2.0 Gold Standard.

Outlook

Disclosure demands will continue to tighten, favouring credible lower-carbon solutions.

Technology and Capability Evolution

Context and Trends

Digital tools, data analytics and AI expanded their role in planning, maintenance and safety. Rapid growth in data centres increased electricity demand and may reinforce the role of gas in power generation. To remain competitive, our operating model and workforce capabilities must evolve rapidly to meet these shifting demands.

These forces reshape the mix of skills required and increase the value of digital capability in daily operations.

Our Efforts

- Invested in digital and technical skills across operations.
- Aligned planning to emerging demand patterns such as data centre-driven power needs.
- Implemented strategic transformation with reskilling programmes and people-centred transition measures.

Outlook

Technology will increasingly support safer and more reliable operations. Success will depend on our ability to rapidly deploy innovative solutions, supported by an agile workforce.

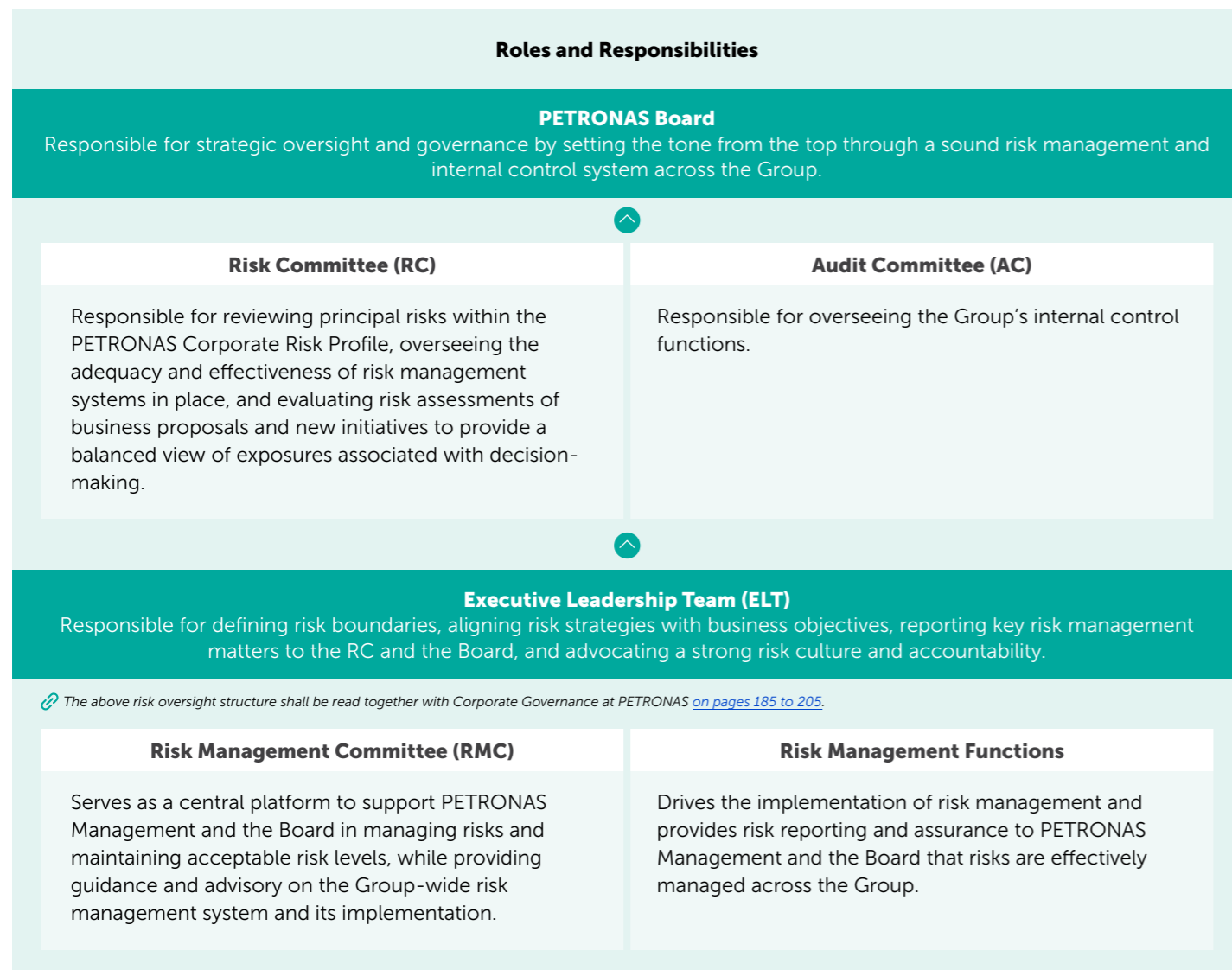
Risks Linked to Creating Value

Operating across complex, evolving energy markets requires disciplined risk management to enable strategic execution and protect long-term value. We treat risks and opportunities as integral to value creation and embed risk considerations into strategic planning, capital allocation, operational decision-making and performance management. This integration strengthens foresight, supports timely responses to emerging challenges and informs the pursuit of opportunities aligned with our strategic priorities.

Robust Risk Management Practices

We implement a robust risk management and internal control system across PETRONAS and our subsidiaries to manage risk exposure and unlock opportunities, safeguarding value and supporting sustainable value creation. The system provides reasonable assurance against material misstatements or losses and focuses on areas where risks create value for the business, enabling proactive and fit-for-purpose risk management across the Group.

The PETRONAS Board oversees the adequacy and effectiveness of the system, supported by the Risk Committee (RC), Audit Committee (AC) and Executive Leadership Team (ELT). For risk management specifically, the Risk Management Committee (RMC) and risk management functions drive implementation through an integrated approach to addressing risk, safeguarding organisational resilience.



How We Manage Risks

The PETRONAS Risk Policy sets our Group-wide approach to risk management, driving the adoption of best practices and integrating risk considerations across value protection and value creation processes. This approach reinforces our commitment to achieving our business objectives, remaining agile in an evolving operating environment and safeguarding stakeholder interests.

Our PETRONAS Resiliency Model supports this policy by providing a cohesive and structured framework for managing risks effectively across the organisation. It is anchored on three core pillars of resilience: Enterprise Risk Management, Crisis Management and Business Continuity Management.

PETRONAS Risk Policy and PETRONAS Resiliency Model

PETRONAS Risk Policy

- ▶ **PETRONAS is committed to becoming a risk-resilient organisation.**
- ▶ **PETRONAS shall continuously strive to implement:**
 - Risk management best practices to protect and create value within the set boundaries.
 - Risk-based decision-making by providing a balanced and holistic view of exposures to achieve business objectives.
- ▶ **Managing risk is everyone's responsibility.**

PETRONAS Resiliency Model

- ▶ **Enterprise Risk Management**
Structured and holistic approach to identify, assess, manage and monitor risks. The aim is to REDUCE the likelihood and impact of identified risks to enhance the organisation's ability to achieve its strategic objectives.
- ▶ **Crisis Management**
Comprehensive set of processes that aims to prepare the organisation to RESPOND and manage crises to protect people, environment, assets and reputation.
- ▶ **Business Continuity Management**
Holistic management process that aims to build the capability of an organisation to RECOVER and continue delivering products or services at acceptable predefined levels following a prolonged disruptive incident.



Risks Linked to Creating Value

Enterprise Risk Management

Enterprise Risk Management (ERM) is a systematic process of identifying, assessing, treating, monitoring and reviewing risks. It enables us to reduce the likelihood of and/or mitigate the risks that may impact our business objectives through appropriate mitigations and effective risk control monitoring.

Our risk appetite guides strategic decisions, reflecting our position, propensity and willingness to accept and manage risks within tolerable limits across strategic, financial, operational and reputational areas, while complying with legal and regulatory requirements. The risk appetite for each area is determined by its respective tolerance and threshold levels.

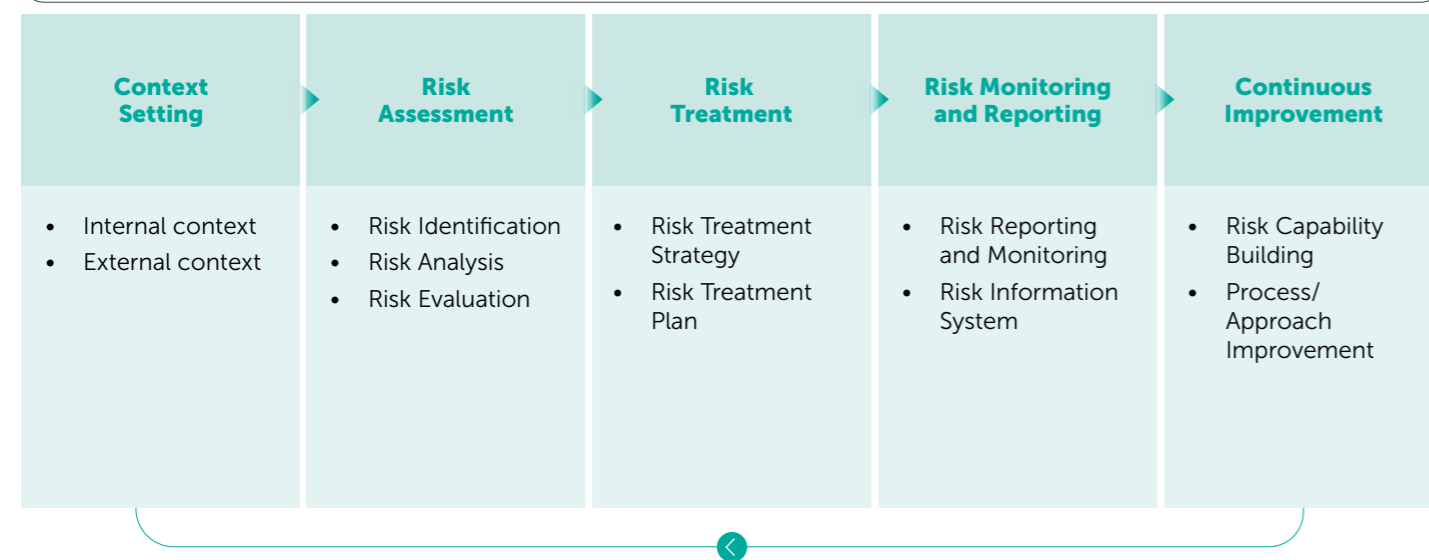
Our risk profile reflects the Group's principal risks at the enterprise level, assessed collectively to capture interdependencies and potential aggregated impacts across the portfolio. It also incorporates opportunities, providing a balanced view that supports strategic decision-making and sustainable value creation.

We continue to strengthen our efforts to build a risk-resilient organisation. Our risk profile, corresponding risk mitigations, key risk indicators and risk appetite are monitored and reported quarterly to the RMC, ELT, RC and the Board.

We also conduct risk assessments at key decision points to:

- Ensure decisions impacting our business operations and strategies are made with careful considerations of risk-reward trade-offs.
- Foster risk-reward discussions at relevant decision-making platforms and/or approving authorities.

Enterprise Risk Management Process



Crisis Management and Business Continuity Management

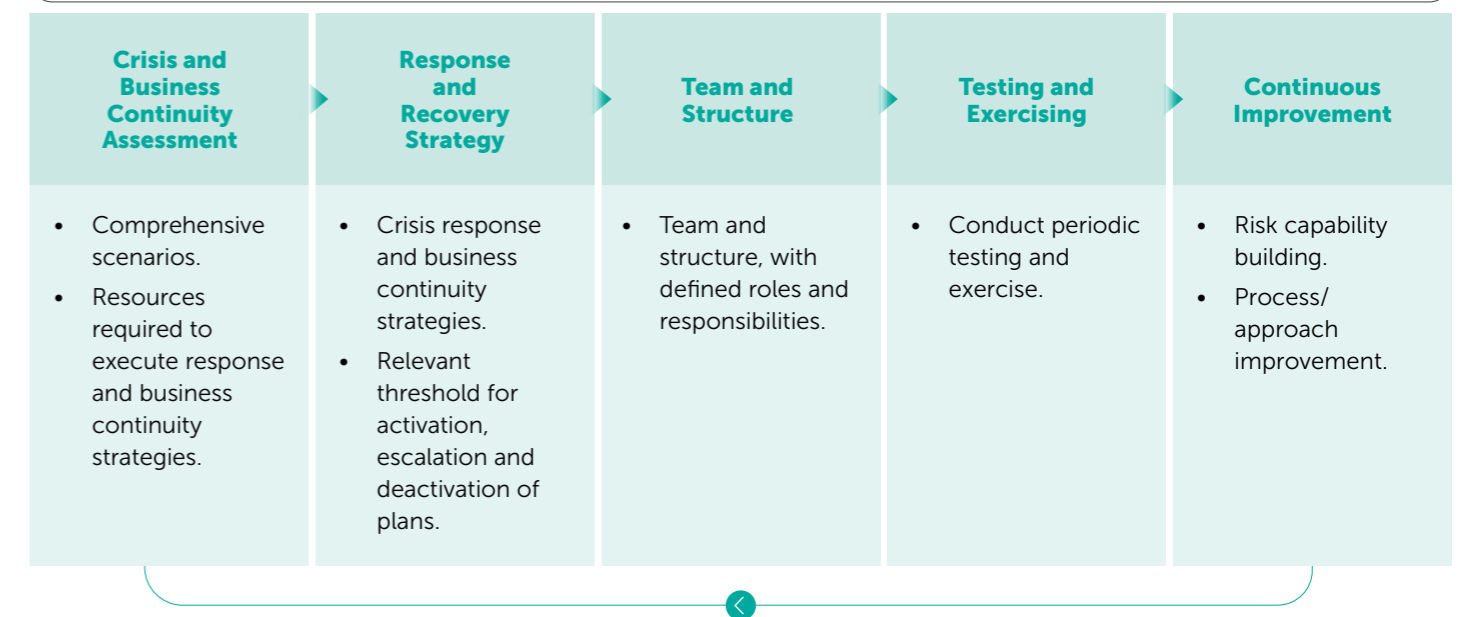
Crisis Management and Business Continuity Management are integrated processes that prepare our operations to respond effectively to crises and recover from business disruptions.

Our Crisis Management adopts a three-tiered response protocol that clearly defines roles and responsibilities at each level: emergency site management, operating unit management and corporate. It ensures coordination and collaboration with internal and external response agencies and authorities. This structured approach enables us to respond promptly and effectively to crises that significantly impact normal operations, particularly in relation to people, environment, assets and reputation, that may result in significant business disruption.

Our Business Continuity Management focuses on strengthening our ability to recover and restore critical business functions, ensuring continuous delivery of products and services at predefined acceptable levels. This includes recovery from prolonged crises that severely deteriorate and disrupt business operations and services, enabling a swift return to acceptable business operations with minimal disruption to stakeholders.

We conduct periodic testing and exercises based on simulated crisis and business disruption scenarios identified in our crisis and business continuity plans. These exercises help ensure preparedness and that our response and recovery strategies remain robust and effective.

Crisis Management and Business Continuity Management Process



Risk Management in 2025

We identify, assess and manage material risks that are crucial to our business and operations. These risks, outlined in the following pages, can influence strategic execution, operational performance and business continuity, both directly and indirectly. Our risk management approach supports informed decision-making and allows for timely responses to evolving internal and external developments.

Risks Linked to Creating Value

Material Topics



Stakeholders



Capitals



MR Market Risk

What It Means

The Group's performance is influenced by market factors which impact global supply and demand dynamics for crude oil, gas and related products. These include geopolitical developments and macroeconomic headwinds in key economies during the year, such as the United States and China. Shifts in government policies and consumer preference towards cleaner and renewable energy sources and products may also heighten competition for conventional oil and gas products. These developments require us to continue diversifying our core business.

Impact on Value

- **Price and Demand Dynamics:** Geopolitical tensions and slower economic activity in key markets may weaken demand, leading to suppressed price levels for crude oil, gas and related products. This affects our financial performance and shareholder returns, as lower commodity prices directly reduce revenue and profit after tax, impacting overall shareholder value.
- **Currency Fluctuations:** Movements in major currencies, particularly fluctuations of the US Dollar against the Malaysian Ringgit, significantly affect our revenue, operating costs and capital investment requirements, for our USD-denominated revenue and cost structures.
- **Market Preference Shifts:** The increasing focus on climate change mitigation and the global shift towards lower-carbon solutions continue to influence customer preferences and intensify competition, placing pressure on returns across conventional oil and gas value chains.
- **Contractual and Counterparty Risks:** Commercial agreements pegged to commodity prices expose us to changes in market dynamics that may affect revenue, operating costs and counterparties' ability to fulfil contractual obligations, potentially constraining growth and business sustainability.
- **Asset Valuation and Impairment:** Prolonged low market prices may trigger asset revaluations or potential impairments, affecting balance sheet strength and long-term asset value.
- **Cash Flow and Investment Capacity:** Sustained price pressure may reduce operating cash flows, limiting our ability to fund growth initiatives and advance strategic investments.
- **Cost of Capital and Credit Standing:** Market volatility may impact our financial performance and credit rating, affecting borrowing costs and financial flexibility.

Impact on Capitals

- **Financial Capital:** Market volatility may disrupt steady returns, reduce cash inflows and challenge our ability to maintain adequate liquidity and credit rating thresholds.
- **Manufactured Capital:** Changing market conditions and lower prices may affect asset utilisation and lead us to delay or reprioritise capital projects, impacting long-term asset development.
- **Intellectual Capital:** Rapid technological advancements and evolving market dynamics may diminish the relevance or economic value of our existing intellectual capital.

Risk Movements

In 2025, market risk remained elevated, with the operating environment significantly impacted by geopolitical tensions that amplified uncertainty and contributed to commodity price volatility, while supply chain challenges further compressed margins. Against this backdrop, PETRONAS as the national oil company leveraged the strength of our integrated value chain to generate and preserve value while ensuring energy security for the country, even as these external pressures intensify through disciplined capital allocation, operational and commercial excellence, structural cost optimisation and active portfolio high-grading. While the environment remains increasingly unpredictable and risks are heightened, our resilience and agility ensure we are well positioned to respond to emerging challenges and capitalise on new opportunities.

- **Natural Capital:** Shifts in market outlook may render certain oil and gas investments or asset life extension initiatives economically unviable.
- #### Mitigation Strategies
- Optimise resource allocation through regular strategic reviews, disciplined prioritisation and active portfolio management to remain competitive.
 - Enable timely and proactive interventions by continuously reviewing portfolio composition, counterparty performance and market indicators.
 - Protect value, margins and cash flows from adverse commodity price movements and foreign exchange fluctuations through active hedging strategies and diversified revenue streams.
 - Apply prudent financial risk management guided by the PETRONAS Financial Policy and PETRONAS Financial Standards, supported by scenario planning and sensitivity analyses to assess impacts on liquidity and capital structure.
 - Evaluate foreign exchange exposures for major capital projects at the investment decision stage to determine appropriate risk management approaches.
 - Review risk appetite thresholds, including minimum commodity prices, cash balances and credit ratings, to enable timely corrective actions.
 - Engage key stakeholders, including governments, banks, financiers, investors, partners and regulators, to strengthen strategic alignment, secure favourable terms and maintain operational flexibility.

Tactical Opportunities

- Capture trading value from volatility in commodity markets by leveraging favourable price movements to unlock additional value.
- Integrate environmental, social and governance (ESG)-linked products into our hedging and trading activities, supported by growing climate awareness and market demand for sustainable solutions.
- Diversify into new markets by capitalising on shifts in consumer preferences towards renewables, cleaner energy solutions and other ESG-related offerings.
- Leverage geopolitical developments to access new markets, alternative supply bases and strategic partnerships.
- Accelerate the adoption of digital, analytics and cost management technologies to manage price volatility and enhance value creation.

Material Topics



Stakeholders



Capitals



FLR Financial Liquidity Risk

What It Means

Our business activities require significant capital investments, adequate operating cash flows and timely access to external financing to support ongoing operations and long-term growth. These are influenced by factors such as volatile market conditions, global or regional financial stress events, emerging regulatory development and heightened stakeholder expectations.

Impact on Value

- **Affordability and Capital Availability:** Reduced cash generation, competing capital demands and suboptimal liquidity positions may limit business agility, constrain future growth and affect our ability to meet shareholder expectations, including national agenda.
- **Credit Rating and Borrowing:** Potential credit rating downgrades due to weaker liquidity positions and non-compliance with ESG and climate change requirements could increase our borrowing costs.
- **CAPEX Concentration and Portfolio Balance:** Consistent capital allocation towards conventional oil and gas, new businesses and emissions reduction initiatives, amid liquidity pressures may affect our financial sustainability and the pace of technology and AI deployment.
- **Regulatory and Jurisdictional Headwinds:** Regulatory changes and geopolitical conflicts, the implementation of carbon pricing mechanisms and jurisdictional shifts may impact our operational execution and cash flows.

Impact on Capitals

- **Financial Capital:** Liquidity constraints influenced by regulatory changes, market conditions, stakeholder expectations and business challenges may affect our cash flow stability, indebtedness limits, access to financing and ability to sustain long-term value creation.

Risk Movements

During 2025, financial liquidity risk indicators remained elevated amid persistent market volatility, evolving stakeholder requirements and business challenges, notwithstanding the effective implementation of existing controls and mitigations, including strict capital discipline and robust portfolio management. We maintain supplementary measures, such as liquidity buffers and internal borrowings, to address potential gaps and uphold financial stability where needed to support resilience.

Mitigation Strategies

- Strengthen execution discipline by implementing prudent financial risk management in line with PETRONAS Financial Policy and PETRONAS Financial Standards, reinforcing cash discipline and maintaining sufficient liquidity buffers through the following measures:
 - Conduct continuous monitoring of our liquidity position and enable timely interventions to address potential liquidity gaps, including scenario planning.
 - Protect value and margins against adverse price movements by undertaking hedging activities and utilising approved financial derivatives, such as forwards and swap contracts, to enhance predictability of financial results and mitigate downside risks.
 - Ensure readiness for external funding and borrowing through timely and comprehensive reporting and continuous engagement with stakeholders, including governments, banks, financiers and investors.
 - Reinforce management oversight of liquidity strategies through established governance processes, with regular liquidity monitoring relative to risk appetite thresholds, including asset-liability management.
 - Enhance our readiness and responsiveness in liquidity crisis management and business continuity measures in line with the established Liquidity Risk Contingency Protocol.

Risks Linked to Creating Value

Material Topics



Stakeholders



Capitals



LR Legal and Regulatory Risk

What It Means

We operate within a complex and evolving legal and regulatory landscape, both domestically and globally. Critical laws such as those related to ethics and integrity, bribery and corruption, sanctions and export control, competition and data privacy often carry enterprise-wide and extra territorial effects. Evolving laws and regulations affect continuity of operations and our licence to operate. Heightened sustainability expectations and increasing mandatory disclosure standards continue to increase compliance demands. This dynamic and constantly changing legal and regulatory landscape exposes us to claims and legal proceedings, which could affect operations, financial performance and reputation.

Impact on Value

- **Litigation and Commercial Disputes:** Adverse outcomes from these disputes may adversely affect our operations, financial condition and reputation, with potential implications for stakeholder relationships, investor confidence and market access.
- **Emerging and Evolving Regulations:** Dynamic evolution of laws and regulations, as well as jurisdiction-specific and challenging regulatory landscapes may impact operational certainty and increase compliance requirements involving critical laws.
- **Policy Uncertainties and Oversight:** Shifts in political, regulatory and socio-economic environments, together with changes in enforcement posture, may create policy uncertainty that requires us to adapt rapidly, undertake additional assurance and strengthen advocacy efforts to maintain operational continuity and value creation.

Impact on Capitals

- **Financial Capital:** Legal or regulatory breaches may result in financial penalties, limit our access to financing and increase the overall cost of doing business.
- **Social and Relationship Capital:** Legal and regulatory non-compliance may erode trust among governments, partners, investors and communities, potentially impacting our licence to operate and the effectiveness of our stakeholder engagement and advocacy.
- **Human Capital:** Non-compliance with legal requirements can undermine our position as a preferred employer, increasing the risk of talent attrition and adversely affecting our ability to attract talent.

Mitigation Strategies

- Strengthen our legal and regulatory governance frameworks, such as the PETRONAS Code of Conduct and Business Ethics, PETRONAS Legal Compliance Framework and the PETRONAS Contractors Code of Conduct on Human Rights, through robust implementation and periodic enhancements to ensure consistent, Group-wide assurance and accountability.
- Operate a secure, enterprise-wide whistleblowing and centralised complaint management system to foster accountability, promote ethical conduct and support timely corrective actions.
- Enhance workforce awareness and competency through regular training and ongoing communication on applicable laws, regulations and critical compliance areas such as anti-corruption, sanctions and export controls, competition, data protection and human rights.
- Monitor and review legal, regulatory and integrity compliance against approved risk appetite thresholds, enabling proactive interventions to address gaps and prevent escalation.
- Execute targeted action plans with defined milestones to realise our Net Zero Carbon Emissions (NZCE) by 2050 Pathway targets and operationalise human rights commitments, while maintaining regulatory oversight and engaging in external advocacy to shape emerging sustainability requirements.
- Engage constructively with regulators on coexisting frameworks as well as sustainability-related regulations to shape the ecosystem, secure clarity for operations and streamline compliance.
- Obtain clarity through legal process to ensure operational certainty and continuity.
- Continuous dialogue and engagement with key stakeholders including federal and state governments, regulators and authorities.

Risk Movements

Legal and regulatory risk remained elevated in 2025 amid continued scrutiny of critical laws, the acceleration of regulations and jurisdictional developments. While these factors heighten complexity and compliance demands, we are strengthening governance, deepening regulatory oversight, and advancing enterprise integrity and human rights programmes. We also continue with policy advocacy and ongoing engagement with regulators on applicable laws and compliance requirements to preserve our licence to operate, enhance resilience and support long-term value creation.

Material Topics



Stakeholders



Capitals



SR Sustainability Risk

What It Means

We operate in an environment of heightened attention to climate-related issues, shifting stakeholder expectations, and evolving policy, regulatory and market dynamics. We have set a clear commitment to achieve NZCE by 2050 and continue to integrate sustainability considerations into our strategic and operational decision-making, including efforts to decarbonise operations, scale lower-carbon solutions and uphold expectations on nature, biodiversity and human rights. Regulatory developments, tightening disclosure requirements and jurisdictional measures are also influencing market behaviour, with customers and financiers increasingly linking decisions to measurable ESG performance, which may affect our access to markets and capital.

Impact on Value

- **Access to Capital and Cost of Finance:** Failure to meet investor and financier ESG requirements may restrict our access to capital or increase financing costs, limiting our funding capacity, capital efficiency and overall growth potential.
- **Competitive Positioning and Market Capture:** Ineffective management of sustainability-related risks or delays in deploying credible lower-carbon solutions may weaken our preferred partner status, reduce earnings resilience and hinder the timely capture of energy transition opportunities, eroding our long-term financial performance.
- **Energy Transition and Market Viability:** Inability to offer competitive lower-carbon energy solutions or weakening demand for such projects, together with regulatory, technical or offtake challenges may constrain project viability and affect our revenue, liquidity and financial standing.
- **Operating Certainty and Compliance Requirements:** The accelerating pace of sustainability regulations, mandatory disclosure standards and nature- and human rights-related requirements may increase our compliance costs, stretch execution resources and lengthen approval processes, affecting our delivery confidence and operational continuity.
- **Reputational and Confidence in Delivery:** Gaps in communication, engagement and execution against stated strategy and investment commitments may undermine stakeholder confidence, weaken our reputation and reduce confidence in our ability to deliver our Energy Transition Strategy.

Impact on Capitals

- **Financial Capital:** Transition investments, emissions reduction efforts and new compliance requirements may increase upfront capital and operating costs, influencing our cash generation, near-term returns and overall financial performance.
- **Manufactured Capital:** Physical climate impacts and transition-driven shifts may disrupt asset reliability, pressure legacy assets and require us to resequence CAPEX towards resilience and lower-carbon projects and solutions, potentially affecting asset value and operational continuity.
- **Social and Relationship Capital:** Gaps in stakeholder expectations, including those of financial institutions, related to our energy transition outcomes may weaken trust, slow project delivery and constrain access to resources, partnerships and advocacy effectiveness.
- **Human Capital:** Workforce capability and readiness may impact our transition to a lower-carbon business model, which requires specialised skills that must be developed or acquired. Additionally, failure to support a just transition that upholds human rights may adversely affect workforce confidence, operations and our reputation.

Risk Movements

In 2025, jurisdictional challenges and evolving disclosure standards have added complexity. Nevertheless, we have strengthened governance and oversight, while maintaining focus on priority risk areas across our portfolio. With disciplined capital deployment, targeted partnerships and proactive regulatory engagement, we remain confident in navigating evolving transition requirements, preserving our resilience while positioning for long-term value creation.

- **Natural Capital:** Insufficient action to mitigate our impact on nature and biodiversity may undermine long-term environmental resilience, affect the issuance of permits and stakeholder support, and weaken our social licence to operate.

Mitigation Strategies

- Embed sustainability into our enterprise decision-making by aligning strategy, capital allocation, risk appetite and business resilience with our NZCE by 2050 Pathway, nature and biodiversity commitments, and international human rights standards, supported by central oversight of evolving regulations and disclosure requirements.
- Invest in workforce capability development and organisational readiness through targeted training and development initiatives, vocational programmes and partnerships with tertiary institutions to support our business sustainability agenda.
- Apply disciplined capital allocation and focused funding approaches to support decarbonisation initiatives, grow lower-carbon businesses and leverage strategic partnerships, including sustainable financing instruments aligned to measurable outcomes.
- Strengthen our climate resilience insights by deepening understanding of climate impacts on assets and value chains, enabling us to remain adaptive and future-ready in a rapidly evolving risk landscape.
- Engage proactively with regulators, financiers, customers and communities to inform the development of transition approaches that are credible, practical and investable, secure clarity on coexisting frameworks, and support just and equitable outcomes.
- Engage with internal stakeholders, regulators, government agencies and industry partners to shape credible, practical and investable energy transition and carbon management policies.
- Strengthen measurement precision and reporting transparency to sustain compliance with evolving global reporting frameworks, supporting continued access to sustainable capital and reinforcing stakeholder trust.

Tactical Opportunities

- Pursue growth across lower-carbon solutions where our capabilities offer strategic advantage and offtake certainty.
- Expand opportunities in emissions reduction and lower-carbon solutions through targeted partnerships, collaborations and investment avenues to support the scaling of decarbonisation technologies.
- Strengthen supplier capability through capacity building programmes, while reinforcing governance, due diligence and performance expectations on human rights and ESG data management to enhance delivery reliability, reduce compliance risk and reinforce trust across our value chain.

Risks Linked to Creating Value

Material Topics



Stakeholders



Capitals



HSR Health, Safety, Security and Environmental Risk

What It Means

We operate in a complex, high-risk environment where health, safety, security and environmental (HSSE) risks arise across project execution and operational activities. These risks are heightened by stringent product safety and environmental regulations, physical security threats, and the increasing complexity introduced by technological advancements and emerging cyber-physical threats. Managing these risks requires vigilant oversight of our operations, stakeholders, assets and natural resources.

Impact on Value

- **Operational Incidents:** HSSE incidents arising from gaps such as non-compliant behaviours and technical integrity issues could result in harm to people, the environment and assets, leading to operational disruption, impacting our reputation and increasing the cost of doing business.
- **Security Threats in High-risk Locations:** Heightened security risks, particularly in higher risk countries, require us to conduct disciplined and frequent assessments, and coordinated responses to protect personnel, assets and operations, as lapses can lead to immediate operational and reputational consequences.
- **Stringent and Evolving Regulations:** Increasingly stringent regulatory requirements may raise our compliance costs and lengthen or jeopardise approval processes, potentially affecting business continuity, project schedules, our financial position and overall stakeholder confidence.

Impact on Capitals

- **Financial Capital:** HSSE incidents may result in penalties, compensation claims, asset repair costs and operational downtime, adversely affecting our financial resilience and overall financial position.
- **Social and Relationship Capital:** Failure to manage HSSE risks effectively may erode stakeholder trust, impact our licence to operate and weaken confidence among communities, regulators and partners.
- **Natural Capital:** Inability to effectively contain HSSE incidents may cause environmental pollution, jeopardising long-term stewardship commitments and undermining our responsibility as a custodian of natural resources.
- **Human Capital:** HSSE incidents can lead to injuries or loss of life, undermining workforce morale and our reputation as a responsible and preferred employer.
- **Manufactured Capital:** Incidents and integrity failures may damage assets, compromise operational reliability and reduce long-term asset performance, requiring additional investment to restore safe operability.

Risk Movements

In 2025, HSE risk remains inherent while the security risk landscape has heightened, particularly for our operations in the Middle East. For HSE, gaps in personal accountability, technical integrity and regulatory compliance continue to pose potential exposure, which could result in harm to people, the environment, assets and our reputation. We mitigate these risks through leadership-driven safety culture initiatives, targeted process safety and asset integrity programmes, and rigorous regulatory compliance, including readiness for new HSE laws. For security, we address potential exposure through enhancements in digital monitoring, predictive analytics, and crisis and business continuity testing and exercising.

Mitigation Strategies

- Maintain robust HSSE governance through dedicated HSSE management systems, supported by the HSE Management System (HSEMS) and PETRONAS Security Standards, through the following measures:
 - Operationalise continuous digital monitoring and predictive analytics to enable data driven decision-making and institutionalise proactive risk management, improving incident prevention, optimising maintenance windows and enhancing asset reliability.
 - Strengthen technical integrity through targeted process safety and asset integrity initiatives to uphold operational reliability and safeguard against major hazards.
 - Enhance security readiness in sensitive geographies through structured assessments, drills and coordinated responses with internal and external agencies, while embedding security planning into project and operations life cycle.
 - Bolster organisational resilience by regularly reviewing, maintaining and simulating HSSE crisis management and business continuity plans to validate response strategies and ensure continuity of critical functions.
- Proactively track evolving HSSE regulatory requirements and engage with authorities to secure timely approvals and maintain compliant, uninterrupted operations, reducing execution uncertainty.
- Build workforce, contractor and partner competency through targeted HSSE programmes such as:
 - Training programmes leveraging digital solutions, while reinforcing accountability and positive behaviours through leadership visibility, assurance activities and structured discipline programmes.
 - Targeted partnerships for security, emergency response and advanced inspection technologies, such as drone-enabled asset inspections.

Material Topics



Stakeholders



Capitals



GR Geopolitical Risk

What It Means

We operate across multiple jurisdictions where jurisdiction-specific political and regulatory tensions cause uncertainty in operations. This exposes our business to shifts in political, legal and fiscal regimes, as well as broader geopolitical tensions that can alter energy and trade flows, reshape policies and affect the sanctity of commercial agreements. Policy directives covering market access and environmental controls may impact our operations, while armed conflict and civil unrest may require us to reprioritise assets and workforce deployment.

Impact on Value

- **Operational Disruption and Supply Chain Impact:** Shifts in political and legal environments, including licensing requirements, development and export limits, and pricing policies, together with geopolitical crises, may disrupt supply chains, alter contractual terms, require us to reroute shipments and interrupt our operations. These factors may lead to cost and schedule variances that affect delivery assurance and our financial stability.
- **Security and Compliance Overheads:** Heightened security exposure in selected geographies and evolving host country requirements may drive higher assurance, protection and compliance costs, impacting our operating margins and business resilience.

Impact on Capitals

- **Financial Capital:** Unfavourable geopolitical developments may lead to penalties, litigation, extended operational disruptions and higher insurance or rerouting costs, pressuring our cash flows, increasing our cost of doing business and affecting our overall financial position.
- **Manufactured Capital:** Geopolitical incidents can disrupt supply chains, constrain access to critical infrastructure or damage assets located in affected areas, impacting our asset reliability, utilisation and long-term performance.
- **Human Capital:** Escalating geopolitical tensions may compromise the safety and security of our employees in impacted locations, requiring additional readiness measures, rotations or evacuation protocols.
- **Social and Relationship Capital:** Inability to navigate complex government and community relationships across jurisdictions may erode stakeholder trust, damage our reputation and affect our licence to operate, potentially delaying or stalling projects.

Risk Movements

In 2025, the geopolitical landscape continues to shift, with security exposure elevated in selected regions and policy developments, including domestic jurisdictional challenges, influencing operating certainty. We are tightening country-risk oversight, exercising crisis and business continuity plans, and deepening regulatory engagement to reduce ambiguity and safeguard continuity. We remain focused on protecting our people and assets, upholding contract stability, and capturing opportunities arising from evolving global trade environment to sustain our resilience and continued value creation in a fragmented environment.

Mitigation Strategies

- Establish dedicated stakeholder management functions in priority jurisdictions to navigate regulatory landscape, strengthen relationships with host governments and authorities and enable intelligence gathering on emerging geopolitical risks, supported by the following efforts:
 - Proactively engage host, federal and state regulators to clarify regulatory frameworks and sustain dialogue platforms to manage expectations, approvals and operating certainty.
 - Monitor geopolitical developments and rebalance our exposure across markets, partners and sourcing options, guided by periodic portfolio reviews against our risk appetite, while maintaining flexible contract structures to protect margins and operational continuity.
 - Support community resilience by delivering sustained social programmes that improve quality of life and socio-economic outcomes in operating regions, strengthening long-term relationships and our licence to operate.
- Conduct risk assessments and due diligence across the business value chain to support international investment decisions, including asset acquisition, pre-entry, in-country operations, exit management and crisis management. This includes continuous review of our supply chain and sourcing strategies, and identification of alternative sources.

Tactical Opportunities

- Explore opportunities in non-traditional markets and routes to bridge supply-demand gaps and strengthen our energy security proposition amid shifting political alignments and evolving energy demand.
- Build new partnerships with local players and regional logistics providers to enhance route certainty, share costs and secure access to critical infrastructure, improving our competitiveness under volatile geopolitical conditions.
- Enhance operational certainty through legal process.

Risks Linked to Creating Value

Material Topics



Stakeholders



Capitals



HR Hydrocarbon Reserves and Resources Risk

What It Means

Our ability to reliably supply oil and gas, and honour long-term commitments depends on the successful discovery, timely maturation and effective development of hydrocarbon reserves and resources. This entails strong exploration outcomes, reservoir performance, disciplined project execution, robust asset integrity and reliability, and sound commercial arrangements. We face a narrowing runway for oil and gas, heightened technical complexity, pressures on the pace of hydrocarbon monetisation, as well as asset integrity constraints and infrastructure bottlenecks.

Impact on Value

- **Supply Shortfalls:** Insufficient supply due to technical challenges, high contaminants, maturing fields and depleting reserves may lead to our reliance on third-party sourcing at a premium or an inability to meet customer demand, resulting in contract non-performance, loss of trust, market share erosion and lower profitability.
- **Capacity-driven Restrictions:** Operational constraints at the demand centre, driven by capacity and asset integrity challenges, may limit our ability to fully utilise gas-receiving capacity.
- **Project Viability and Impairment Exposure:** Poor exploration outcomes, technical and commercial challenges, complex greenfield development or downward revisions in recoverable volumes may reduce future cash flows and trigger asset impairments, affecting our portfolio returns and long-term value.

Impact on Capitals

- **Financial Capital:** Failure to monetise resources, whether due to inadequate resource maturation, technical constraints or inability to secure viable commercial arrangements, may jeopardise our cash generation, long-term financial stability and overall operational viability.
- **Intellectual Capital:** Limited reservoir insights or slow adoption of fit-for-purpose technologies and innovations may erode project value, weaken asset performance and delay our optimisation of resource recovery.
- **Manufactured Capital:** Technical and integrity challenges, including high contaminant fields, reliability events and other internal or external constraints, may reduce our asset efficiency, increase unplanned deferrals and disrupt operations across the value chain.

Risk Movements

Indicators through 2025 show uncertainty stemming from selected project deferrals and operational reliability constraints, which have affected reserves and resources data in parts of the funnel. Nonetheless, we continue to meet contractual delivery commitments. With disciplined resource maturation, infrastructure readiness and technology deployment, we remain focused on maintaining resilience while advancing long-term value creation.

Mitigation Strategies

- Accelerate resource maturation and monetisation by executing disciplined area development plans, progressing appraisal to sanction to start-up phases, and applying phased investments and front-loaded subsurface studies to accelerate time-to-value and increase value realisation.
- Enhance reservoir and field performance through robust operational excellence programmes, addressing asset integrity and reliability issues, and deploying fit-for-purpose technologies such as enhanced recovery, advanced surveillance and digital optimisation to improve field development outcomes.
- Sequence feed gas nodes and critical infrastructure upgrades to align with contract windows and integrate planning across the upstream gas LNG value chains to reduce uncertainty to the initial hydrocarbons, ramp up profiles and overall delivery reliability.
- Drive production sustainability by applying carbon capture and storage (CCS) pathways and contaminant handling strategies for high carbon dioxide fields, expanding economically viable resources under evolving standards.
- Apply stringent petroleum resource management through the Annual Review of Petroleum Resources and enterprise resource governance processes to monitor reserves and resources against commitments and trigger targeted interventions early.

Tactical Opportunities

- Strengthen our Right Asset, Right Player strategy by aligning technically complex fields with capable partners under progressive fiscal terms to co-create solutions, share risks and accelerate monetisation, while delivering equitable returns for us and our partners.
- Deploy fit-for-purpose technologies and processes, including subsurface analytics, digital optimisation tools and advanced integrity inspection technologies, to overcome technical constraints, unlock incremental barrels, reduce downtime, and enhance asset efficiency and investment attractiveness.

Material Topics



Stakeholders



Capitals



TR Technology Risk

What It Means

As we expand our use of digital technologies, we gain efficiency and new growth opportunities but also face higher cyber security risks. Cyber attacks may disrupt critical systems and compromise information, particularly through data leakage, unauthorised access and the rapid adoption of technologies such as AI. Rapid technological change also increases the risk of technology obsolescence, which may affect our long-term competitiveness and operational resilience.

Impact on Value

- **Cyber Security Threats:** Undetected or sophisticated cyber attacks targeting both operational technology and information systems may disrupt our operations, compromise employee safety, trigger legal or regulatory penalties and damage our reputation.
- **Technological Obsolescence:** Failure to adopt or effectively deploy emerging technologies, compounded by insufficient technical skillsets and capability gaps, may erode our efficiency, increase operating costs, limit access to new revenue streams and undermine our long-term competitiveness.
- **Evolving Regulatory Requirements:** The introduction of cyber security regulations may increase our compliance costs and impact technology deployment timelines, with non-compliance potentially undermining system resilience and stakeholder trust.

Impact on Capitals

- **Manufactured Capital:** Slow adaptation to technology and gaps in predictive maintenance may increase the risk of operational disruptions, costly downtime and rapid asset obsolescence, affecting our asset performance and reliability.
- **Intellectual Capital:** Insufficient innovation, poor digital adoption and weak intellectual property (IP) protection may erode our proprietary value, undermining our competitiveness and the long-term relevance of our intellectual assets.
- **Financial Capital:** Failure to innovate or technology-related incidents, such as cyber breaches or system failures, may lead to unplanned expenditures, insurance claims, loss of revenue and weaker financial returns.
- **Social and Relationship Capital:** Weak cyber defences or data misuse may negatively impact stakeholder trust and confidence in us.

Mitigation Strategies

- Maintain strong digital, information and communication technology (ICT) and cyber security governance by implementing enterprise-wide frameworks, including the Enterprise Cyber Security Governance Framework, PETRONAS Cyber Security Incident Response Procedure, Cyber Security Ransomware Crisis Management and AI ethics guidelines, supported by the following efforts:
 - Conduct continuous monitoring and threat hunting, and strengthen incident response capabilities within our Security Operations Centre to enhance operational resilience, alongside regular penetration testing, cyber drills and periodic review of ICT and cyber security crisis management and business continuity measures.
 - Leverage technologies and methodologies such as advanced analytics, automation and AI to optimise operations, minimise downtime, improve decision-making efficiency and develop an ecosystem that drives value creation and business growth across our integrated value chain.
- Support and implement the Malaysia Cyber Security Act 2024 (Act 854) as one of three Energy Sector Leads, driving compliance, resilience and alignment with national cyber security requirements.
- Strengthen technological leadership through continuous talent development and upskilling programmes across functions and roles, including solution development, research, scale-up, deployment, commercialisation and technology management.
- Enhance and scale our AI capabilities to govern, standardise and accelerate AI adoption, strengthen implementation oversight and promote responsible use of emerging technologies.

Tactical Opportunities

- Create competitive advantage through an outcome-oriented research and development partnership ecosystem, enhancements to our PETRONAS Technology Management System and a targeted intellectual property strategy for priority technology programmes.
- Capture value from technological advancements and deployment by unlocking monetisation opportunities through the selective commercialisation of mature and proven in-house technologies and digital solutions.
- Strengthen stakeholder confidence by positioning ourselves as a trusted partner through best-in-class cyber resilience and robust digital governance, enhancing our competitiveness in an increasingly technology-driven energy landscape.

Risk Movements

In 2025, technological risk continued to be shaped by rapid digital adoption, the proliferation of AI and increasingly sophisticated cyber threats. To mitigate these exposures, we are strengthening our cyber security frameworks, AI governance and internal technical capabilities. Strategic partnerships and dedicated innovation platforms enable the accelerated deployment of fit-for-purpose solutions, while rigorous IP protection supports our long-term competitiveness. By embedding innovation into investment and operational planning, we turn digital disruption into a strategic advantage, supporting sustained value creation across the energy landscape.

Risks Linked to Creating Value

Material Topics



Stakeholders



Capitals



PER Project Execution Risk

What It Means

We depend on the successful delivery of complex, long-term and capital-intensive projects, supported by strong asset and technical integrity, to fulfil our commitments and provide value-added solutions to customers. Execution exposure may arise from front-end planning quality, technical challenges, supply chain capacity and cost dynamics, evolving jurisdictional requirements and regulatory approval timelines. These factors may affect our ability to meet targeted schedules, budgets and project scope, potentially resulting in deferred production, cost overruns or value dilution.

Impact on Value

- **Schedule Slippage and Cost Escalation:** Delays in execution timelines and cost overruns, particularly in capital-intensive projects such as greenfield developments and debottlenecking initiatives, may delay first hydrocarbons, defer return realisation and adversely affect our business strategy, operational performance and financial position.
- **Supply Chain and Workforce Tightness:** Disruptions across the supply chain, coupled with scarcity and cost escalation in specialised vessels, turnaround manpower and fabrication capacity, may delay critical deliveries, undermine our production continuity, increase execution costs and weaken our competitive positioning.
- **Capital Investment Gap:** Insufficient capital investment may weaken project viability, constrain production targets, reduce competitiveness and hinder achievement of sustainability objectives in a rapidly evolving market environment.

Impact on Capitals

- **Financial Capital:** Inefficient project planning and execution, supply chain disruptions and shortages of skilled manpower may trigger project delays and operational disruptions, adversely affecting our earnings, cash flows, financial position and investment planning.
- **Manufactured Capital:** Ineffective project execution, inadequate asset integrity and reliability programmes, or poor maintenance practices may degrade our asset performance, extend downtime and potentially damage facilities.
- **Social and Relationship Capital:** Operational disruptions, product quality and reliability issues, and supply chain disruptions, including challenges related to our suppliers' capacity and capability, may damage our reputation and erode stakeholder confidence.

Mitigation Strategies

- Strengthen project delivery by allocating right-sized resources and sufficient time across project lifecycles, ensuring informed decision-making via fit-for-purpose gatekeeping processes and adherence to key compliance frameworks such as the PETRONAS Group Project Management System, PETRONAS Asset Management System, PETRONAS Procurement Standard and Project, Plant and Facilities Risk Management Guideline, supported by oversight platforms to surface risks early and safeguard capital investment.
- Strengthen our supply chain and supplier ecosystem capacity through strategic partnerships with Malaysian financiers to enable supplier financing, structured development programmes for local suppliers, and secure long-term arrangements for construction resources and specialised vessels to navigate supply chain tightness.
- Build workforce capability and productivity by scaling apprenticeship and industry programmes to close skilled manpower gaps, strengthening competencies through targeted development with contractors, peers and partners, and optimising Project Management Team deployment and project resource management through work process improvements to future-proof our talent pipeline.

Tactical Opportunities

- Enhance project and operational excellence to secure long-term supply at competitive prices, leveraging strategic partnerships with key suppliers to improve cost competitiveness and maintain a sustainable advantage in a complex operating environment.
- Deploy digital solutions across projects and assets, including planning analytics and shutdown orchestration tools, to compress timelines, improve readiness and enhance the quality and speed of decision-making.
- Engage proactively with authorities and regulators to de-risk approval processes, align execution plans with evolving jurisdictional requirements and reduce operating ambiguity.

Risk Movements

In 2025, project execution risks remained elevated amid continued tightness in supply markets and the delivery of selected projects, alongside the management of complex, coordinated shutdowns requiring heightened execution discipline. We implemented mitigating actions to improve delivery across upcoming project phases. Supported by enhanced front-end governance, focused reliability interventions and collaborative contracting arrangements, we remain focused on safeguarding schedules and contractual performance, enabling more predictable cash flows and reinforcing portfolio-level operational resilience.

Material Topics



Stakeholders



Capitals



HCR Human Capital Risk

What It Means

Our people remain central to delivering our business objectives, our Energy Transition Strategy and our Net Zero Carbon Emissions by 2050 Pathway. Attracting, retaining and developing the skills and workforce flexibility remain critical as business needs evolve across core and emerging areas. These challenges are intensified by shortages in critical skills, including onshore plant turnarounds and AI-driven capabilities. We continue to prioritise upskilling across our workforce and supply chain to sustain safety performance and meet our transformation milestones.

Impact on Value

- **Talent Pipeline:** Challenges in attracting, developing and retaining skilled talent, particularly in specialised areas such as turnarounds, offshore construction, digital and AI, may weaken the talent pipeline, delay critical work, increase costs, constrain energy transition readiness and reduce competitiveness.
- **Strategy Delivery and Transformation Readiness:** Inability to build and sustain workforce capabilities, behaviours, culture, mindset and alignment to organisational goals may slow strategy execution, impede innovation and weaken our ability to sustain competitive positioning while pursuing long-term objectives.
- **Stakeholder and Regulatory Expectations:** Continued expectations on workforce standards across PETRONAS ecosystem may increase exposure to regulatory compliance risks, where gaps may affect our licence to operate, stakeholder trust and reputation.

Impact on Capitals

- **Human Capital:** Reduced availability, depth and deployment of critical skills, coupled with elevated fatigue exposure, may lower workforce readiness to support transformation priorities.
- **Social and Relationship Capital:** Challenges in attracting and retaining talent, as well as workforce regulatory compliance across the supply chain, may erode stakeholder trust and weaken PETRONAS' reputation and strategic partnerships.
- **Intellectual Capital:** Failure to recruit, develop and align talent aspirations with business priorities may limit our ability to sustain innovation, build critical capabilities and deliver value-adding solutions.
- **Manufactured Capital:** Misalignment between workforce capabilities and business needs may extend downtime, reduce asset reliability and hinder effective strategy execution.
- **Financial Capital:** Workforce capability gaps, reliance on higher-cost resources arising from skill shortages, as well as rework and delay costs, may impede strategy execution and adversely affect margins, earnings, cash flows and overall financial standing.

Mitigation Strategies

- Strengthen workforce planning through analytical tools to forecast manpower needs, improve talent fulfilment and ensure alignment across operating units.
- Strengthen workforce and leadership readiness by developing critical skills, reinforcing the talent pipeline and advancing future-ready leadership to enable resilience, transformation and sustainable value creation through the following efforts:
 - Build workforce agility and resilience by intensifying upskilling and reskilling in core technical and trade skills, such as turnaround operations and maintenance; HSSE capabilities, including compliant execution; and emerging skills such as digital and AI, through programmes developed with reputable learning institutions and industry partners.
 - Strengthen the talent pipeline through education sponsorships, strategic partnerships, on-the-job training and apprenticeship programmes to support resource availability.
 - Advance leadership capability through focused development pathways, competency assessments and succession planning to ensure a future-ready leadership pipeline that supports organisational transformation and sustainable business growth.
- Refresh and reinforce desired behaviours anchored in PETRONAS' values through targeted mindset and culture change efforts, strengthening organisational agility, adaptability and future-readiness.

Tactical Opportunities

- Expand long-term partnerships with government agencies, learning institutions, industry bodies, industry players and leading corporates to strengthen access to specialised skills, research capabilities and apprenticeship pipelines.
- Leverage technological advancements to enhance ways of working, improve productivity and build a workforce equipped for evolving business needs.
- Accelerate capability development in digital and AI, and lower-carbon technologies to meet rising regulatory and market expectations, while building competitive advantage and enabling new growth opportunities.

Risk Movements

In 2025, human capital risk was driven by limited availability of skilled talent in critical execution areas, resource optimisation pressures and rising expectations for digital capabilities. We are addressing these through stronger data-driven workforce planning, accelerated upskilling in core technical, HSSE and digital and AI skills, and reinforced talent pipelines through education sponsorships, on-the-job training and apprenticeship programmes. Continued focus on culture, leadership development and strategic partnerships supports sustained value creation and a resilient workforce.

Our Approach to Sustainability

Our approach to sustainability supports PETRONAS' role as a progressive energy and solutions partner by integrating sustainability as a value driver across our Core Business and New Business activities, guided by the PETRONAS Energy Transition Strategy. This approach shapes how we contribute responsibly to the energy transition by managing sustainability-related risks, capturing transition opportunities and strengthening portfolio resilience. It integrates climate, nature, social and governance considerations into how we plan, operate and invest across our business model, decision-making processes and value chain.

Our sustainability priorities are anchored in our business activities and strategic focus areas, enabling us to clearly articulate our impacts and progress to stakeholders.

Sustainability Governance

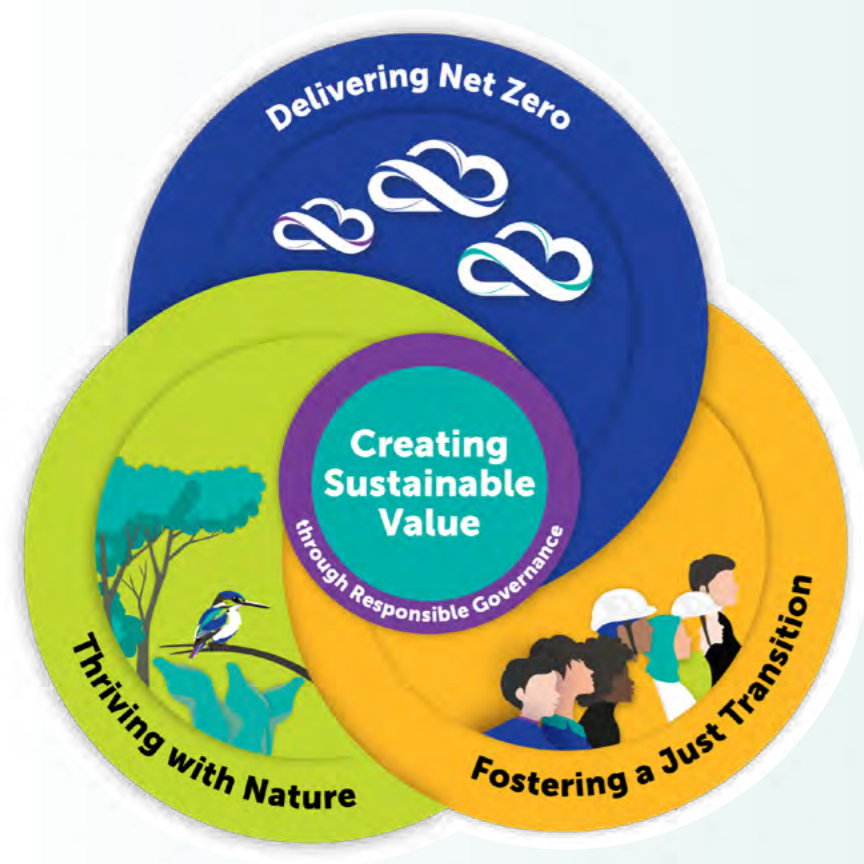
The Board has ultimate responsibility for overseeing sustainability, including climate-related risks and opportunities at PETRONAS. Sustainability governance is supported by structured reporting channels from business units and functions to management committees, including the Sustainability Executive Leadership Team, and onwards to the Board. Controls, data governance and assurance processes further support the integrity of sustainability disclosures and alignment with enterprise risk management.

Refer to the Corporate Governance section on pages 185 to 205 for details on the role of the Board.



Scan the QR code or refer to the PETRONAS website for an overview of PETRONAS' Sustainability Governance Structure.

Sustainability Approach



Creating Sustainable Value through Responsible Governance

Guided by our purpose to be a progressive energy and solutions partner, we believe that creating sustainable value and practising responsible governance are essential to organisational resilience. This approach supports our Energy Transition Strategy and our ambitions to achieve net zero carbon emissions by 2050, thrive with nature and foster a just transition.

Delivering Net Zero

The evolving energy landscape requires urgent action to respond to the expanding challenge of climate change. To deliver our Net Zero Carbon Emissions by 2050 Pathway, we aim to reduce emissions across our core operations, invest in lower-carbon business growth opportunities, and deepen our understanding of how climate change may affect the resilience of our assets and value chains, so that we remain adaptive and future-ready.

Thriving with Nature

Nature and biodiversity are essential for sustaining life on Earth. We recognise both our impacts on nature and our dependence on healthy ecosystems. We are committed to using natural resources responsibly, promoting circular practices and where possible, addressing nature and biodiversity loss. We engage in activities to restore, protect and conserve ecosystems in Malaysia and the countries where we operate.

Fostering a Just Transition

The energy transition will vary from country to country. We recognise the importance of an inclusive transition that supports societal progress. We are committed to advancing a transition that upholds human rights, and to supporting our employees, suppliers, partners and communities to access equitable opportunities for socio-economic growth.

Material Topics

- CDP Cyber Security and Data Protection
- CG Corporate Governance
- EC Economic Contribution
- EI Ethics and Integrity
- HS Health and Safety
- IT Innovation and Technology

- CGE Climate Change and GHG Emissions
- LCT Lower-Carbon and Energy Transition Business

- CER Circular Economy and Resource Use
- EM Environmental Management
- NB Nature and Biodiversity

- HC Human Capital
- HR Human Rights
- SC Sustainable Supply Chain

Aligned with United Nations Sustainable Development Goals (UN SDGs)



Material Topics

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

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

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

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



Impact Materiality

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

Financial Materiality

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

Outcomes of the 2025 Materiality Revalidation Exercise

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

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

Legend: Material (1 bar), More Material (2 bars), Most Material (3 bars), Increase In Impact (+), No Changes In Impact (=), Decrease In Impact (-)

Sustainability Approach	Material Topics	Description	Significance Impact Materiality	Trend Compared to 2024	Significance Financial Materiality	Trend Compared to 2024	Our Response
<p>Creating Sustainable Value through Responsible Governance</p>	CDP Cyber Security and Data Protection	Cyber security and data protection play a critical role in safeguarding our operations and information assets as we continue to leverage digital solutions. Strong governance, robust systems and ongoing investments in advanced security measures protect data integrity and confidentiality, support business continuity and sustain stakeholder trust amid an evolving cyber-threat landscape.	Material	=	Most Material	=	Refer to pages 92 to 95.
	CG Corporate Governance	Corporate governance provides the foundation for effective oversight, accountability, transparency and performance across our organisation. Anchored in applicable laws and recognised governance principles, our framework supports sound decision-making and risk management, strengthening business resilience and enabling long-term sustainable value creation for investors and stakeholders.	Material	=	Most Material	-	Refer to pages 185 to 205.
	EC Economic Contribution	Our economic contribution reflects our commitment to driving long-term business growth and our role in generating economic value for the markets and communities in which we operate. Through our products and services, capital payouts, payments to governments, compensation to employees and suppliers, and contributions to social and environmental causes, we support inclusive development and shared value creation.	Material	=	Most Material	=	Refer to pages 12 to 15.
	EI Ethics and Integrity	PETRONAS maintains a firm stance against all forms of corruption and unethical conduct. This commitment extends across our value chain, encompassing directors, employees, partners, suppliers, contractors, intermediaries and other third parties. We promote responsible business practices and adherence to established policies, standards and guidelines. The PETRONAS Code of Conduct and Business Ethics, the PETRONAS Anti-Bribery and Corruption Policy and the PETRONAS Anti-Bribery and Corruption Manual provide the guiding principles that set expectations for ethical business conduct.	Material	=	Most Material	=	Refer to pages 185 to 205.

Material Topics

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

Sustainability Approach	Material Topics	Description	Significance Impact Materiality	Trend Compared to 2024	Significance Financial Materiality	Trend Compared to 2024	Our Response
Creating Sustainable Value through Responsible Governance	HS Health and Safety	The safety, health and well-being of our employees, contractors and communities are fundamental to our operations. By cultivating a strong health and safety culture, implementing robust safety management practices, and providing health and wellness programmes, we aim to protect our people and communities, reduce operational risks, improve efficiency and promote a productive, healthy and engaged workforce.					Refer to pages 87 to 91.
	IT Innovation and Technology	Innovation and technology play a critical role in strengthening PETRONAS' resilience and long-term value in a rapidly evolving energy landscape. We promote innovation and adopt technology across our operations and services to improve efficiency, enhance customer and stakeholder satisfaction, and support the energy transition.					Refer to pages 55 to 82.
Delivering Net Zero	CGE Climate Change and GHG Emissions	Climate change and GHG emissions are key elements embedded in PETRONAS' long-term strategy and enterprise risk management. We assess and manage climate-related transition and physical risks, including evolving regulatory and market conditions as well as extreme weather that may affect our assets, operations and product demands. Through climate risk management and GHG emissions reduction efforts via four key abatement levers aligned with our Net Zero Carbon Emissions by 2050 commitment, we strengthen asset resilience, support operational continuity, manage regulatory exposure and help sustain stakeholder confidence.					Refer to pages 97 to 113.
	LCT Lower-Carbon and Energy Transition Business	Lower-carbon and energy transition business activities enable PETRONAS to create long-term value by expanding into areas such as renewables and lower-carbon energy solutions. Guided by our Energy Transition Strategy, we invest selectively across new energy value chains to support emissions reduction, meet evolving stakeholder and customer expectations, and contribute to global climate goals, while maintaining financial discipline and resilience.					Refer to pages 65 to 80.
Thriving with Nature	CER Circular Economy and Resource Use	Circular economy and resource use focus on optimising the use of materials and natural resources to maximise efficiency, retain value and minimise waste. By creating value through responsible resource management, reuse, recycling and value recovery, we respond better to regulation, enhance operational resilience and reinforce stakeholder confidence in our sustainability commitments.					Refer to pages 121 to 124.
	EM Environmental Management	Effective environmental management addresses the environmental impacts of our operations while supporting sustainable resource use and emissions reduction. Internal standards and practices across water stewardship, waste and circular economy management, air emissions control and spill prevention enable us to manage environmental impacts, meet regulatory requirements and protect natural resources.					Refer to pages 125 to 131.
	NB Nature and Biodiversity	Nature and biodiversity are integral to PETRONAS' long-term business resilience, asset integrity and social licence to operate. Guided by our policy position and strengthened capabilities, we are advancing nature and biodiversity management practices by addressing our impacts and dependencies, aligning climate action with biodiversity conservation and proactively managing nature-related risks to support sustainable value creation.					Refer to pages 115 to 120.
Fostering a Just Transition	HC Human Capital	Our long-term performance and ability to operate safely, strengthen our core business and build new energy value chains are anchored in strong organisational and talent foundations, encompassing organisational effectiveness, the right mindset and culture, leadership capability and workforce readiness. Central to this is developing an agile, skilled and motivated workforce that can adapt to evolving business needs and support sustainable value creation across the organisation.					Refer to pages 145 to 156.
	HR Human Rights	Human rights underpin PETRONAS' responsible business conduct across all the Group's activities and relationships. We are committed to respecting internationally recognised human rights, which are fundamental to ethical and sustainable business practices, fostering stakeholder trust and promoting fair labour practices. By identifying and addressing human rights risks through due diligence and ensuring access to remedy, we safeguard our social licence to operate and support sustainable value creation.					Refer to pages 133 to 144.
	SC Sustainable Supply Chain	A sustainable supply chain is central to our risk management and long-term value creation across our operations. By advancing responsible sourcing and procurement practices, we aim to strengthen environmental, social and economic outcomes, support local suppliers where appropriate and enhance supply chain resilience. These efforts contribute to safer practices, more sustainable products, improved operational efficiency and positive socio-economic outcomes across the markets in which we operate.					Refer to pages 157 to 162.

Engaging with Stakeholders



The inaugural Energy Asia Global Leadership Executive Forum (EAGLE) convened over 30 global CEOs and C-suite leaders across oil and gas, energy, renewables, power, utilities, technology and finance.

Driving Progress Together, Delivering Sustainable Value

We engage our stakeholders as strategic partners in long-term value creation. Through sustained dialogue with key stakeholders who influence our strategy, operations and risk profile, we continuously aim to integrate diverse perspectives into decision-making across our operations. This collaborative approach builds mutual trust, strengthens execution certainty and ensures we remain resilient and attuned to evolving stakeholder expectations in the energy transition.



PETRONAS Refinery and Petrochemical Corporation (PRPC) collaborated with Universiti Teknologi Malaysia (UTM) to support educational development for primary school students in Pengerang, Johor, Malaysia through the PIC Literacy and Numeracy Programme (PLaN).

Frequency

- O Ongoing
- Q Quarterly
- A Annually
- AR As Required

FG Federal Government

Why They Matter to Us

A trust-based working relationship with the Federal Government of Malaysia, key ministries, regulators and agencies supports regulatory certainty and smooth business operations in delivering national development roadmap, energy security and sustainability priorities.

Common Areas of Interest

- Nation-building agenda
- Compliance with laws and regulations
- Ethical business conduct and governance
- Health and safety
- Socio-economic and industry development
- Environment and climate change
- Sustainable development and ESG commitments

Our Response

- Contributed to national policy discourse to advance Malaysia's energy security, accelerate energy transition and support carbon management initiatives.
- Aligned with national net zero and carbon-neutrality goals through consultation on transition plans and responsible operational practices.
- Collaborated with government agencies and regulators to strengthen energy industry standards, prioritise safety and reinforce compliance across businesses.
- Partnered with federal agencies to support a just energy transition, strengthen environmental stewardship and deliver shared societal value.

Meaningful Outcomes

- Sustained nation-building through economic contribution and support for the national development roadmap, energy security and sustainability priorities.
- Contributed to human capital and industry upliftment through skills development initiatives.
- Served as a credible thought-partner in shaping energy policies that support Malaysia's energy transition goals.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Statutory reporting, briefings, meetings and roundtable discussions
- Q Periodical performance briefings
- O Participation in Federal Government programmes and consultations
- O Engagements with various federal agencies
- AR Familiarisation visits and site visits

SG State Governments

Why They Matter to Us

Close relationships with State Governments enable effective collaboration, support local industries and empower communities. Continuous engagement helps maintain regulatory compliance, enables safe and reliable operations, and minimises disruptions across state jurisdictions. These efforts are essential in contributing to both state and national economic growth while supporting sustainability and long-term value creation where we operate.

Common Areas of Interest

- State economic growth and reliable energy supply
- Local participation and industry development
- New energy and sustainability opportunities
- Social development and community well-being
- Talent and human capital development
- Biodiversity conservation and environmental protection

Our Response

- Leveraged formal platforms and joint committees with State Governments to align delivery priorities with shared development goals and economic objectives.
- Maintained strategic engagement with state leadership to identify growth opportunities and strengthen energy access and resilience.
- Delivered local socio-economic impact through targeted community-focused partnerships, including programmes by Yayasan PETRONAS.
- Strengthened disaster preparedness and climate adaptation at the state level through coordinated planning and response efforts.

Meaningful Outcomes

- Uplifted community well-being and quality of life.
- Strengthened local business integration across the value chain to amplify economic multiplier effects.
- Advanced energy transition ambitions through state-level collaborative initiatives.
- Built stakeholder confidence and long-term trust with State Governments and local stakeholders.
- Strengthened Oil and Gas Services and Equipment (OGSE) and local talent pipeline through collaborative upskilling and capability building initiatives with state agencies.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Joint Coordination or Working Committee meetings
- O Statutory reporting, briefings, meetings and roundtable discussions
- O Participation in State Government and state-owned entities' programmes
- O Engagements with various state agencies
- AR Familiarisation visits and site visits

Engaging with Stakeholders

Frequency
O Ongoing Q Quarterly A Annually AR As Required

HG Host Governments

Why They Matter to Us

Proactive engagement with host governments across our international operations supports constructive diplomatic relationships and strategic partnerships. Regular interaction helps us navigate geopolitical risks, understand regulatory and legal requirements, maintain compliance and preserve our licence to operate, reducing the risk of disruption to our international activities.

Common Areas of Interest

- Economic contribution
- Operational efficiencies
- Compliance with laws and regulations
- Ethics and integrity
- Health and safety
- Human rights
- Community development
- Greenhouse gas emissions

Our Response

- Maintained ongoing engagement with host governments, authorities and embassies across our international footprint.
- Aligned with key ministries and stakeholders to assess investment opportunities and support national energy and resource priorities.

- Engaged in global and bilateral forums to advance energy transition objectives and reinforce PETRONAS' international standing.
- Strengthened government-to-government and business-to-government relationships through regular engagements that support our licence to operate.
- Delivered social impact initiatives tailored to the needs of local communities in host countries.
- Supported cross-country and regional best practice sharing.

Meaningful Outcomes

- Contribution to economic growth in host countries.
- Advancement of socio-economic and community development within local communities.
- Stronger bilateral and multilateral relations between Malaysia and host countries.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Briefings, meetings and roundtable discussions
- O Participation in host government programmes
- O Engagements with various host government agencies
- AR Familiarisation visits and site visits

C Customers

Why They Matter to Us

Customers play a direct role in shaping our business. Their feedback informs improvements to our energy solutions, products and services, including after-sales support and delivery performance. This focus helps us respond to evolving customer expectations and environmental considerations while supporting sustainable business growth.

Common Areas of Interest

- Product pricing, availability, safety and quality
- Innovative products, solutions and services
- Retail loyalty programme privileges and benefits
- Product management optimisation
- Brand reputation and advocacy
- Strategic networking opportunities
- Seamless customer experience
- Sustainability and community uplift

Our Response

- Provided products and services relevant to customer needs, supported by innovation and strategic partnerships.
- Strengthened customer satisfaction and engagement through reliable, tailored experiences and proactive relationship management.

- Maintained consistent communication and collaboration with customers across domestic and international markets.
- Applied customer insights to guide product development and service enhancements, ensuring continued relevance and value creation.

Meaningful Outcomes

- Built customer trust, loyalty and brand equity through consistent delivery of safe, reliable and innovative products and services.
- Deepened long-term partnerships and delivered customer-centric solutions by translating ongoing engagement into actionable insights.
- Accelerated development of new products and services by responding constructively to customer feedback.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Social media engagements
- O Customer feedback system, online customer survey
- O Marketing activities and outreach programmes
- O Events, dialogues, roadshows and engagements
- AR Customer appreciation programmes

Frequency
O Ongoing Q Quarterly A Annually AR As Required

E Employees

Why They Matter to Us

Employees drive operational excellence through their expertise and commitment, enabling growth and resilience in a changing environment. We focus on maintaining a respectful and supportive workplace that safeguards well-being and enables sustained performance.

Common Areas of Interest

- Safe and healthy work environment
- Learning and development opportunities
- Career progression
- Diversity and inclusion
- Work culture rooted in our Shared Values
- Ethical and sustainable business practices
- Flexible working arrangements
- Job security

Our Response

- Reinforced a safe, healthy and supportive work environment across operations, anchored in ethics, compliance and generative safety practices.
- Enabled continuous learning and upskilling opportunities to build capability and future readiness.
- Advanced diversity, inclusion and employee well-being through targeted programmes, inclusive workspaces and a supportive culture.
- Provided structured support during workforce transitions through career advisory, access to mental health support and financial well-being programmes, helping affected employees navigate change with dignity and clarity.

- Reinforced governance and transparency through structured initiatives on ethics, integrity and compliance.
- Recognised employee contributions and strengthened engagement to foster belonging and shared purpose.
- Enabled engagement and collaboration through digital platforms, supporting seamless communication and knowledge-sharing across geographies.

Meaningful Outcomes

- A safe, inclusive and supportive workplace culture.
- Employee support during periods of transition, with access to professional guidance, psychosocial support and financial well-being resources.
- Continuous employee growth and well-being, enabled through upskilling, wellness and engagement initiatives supporting professional and personal development.
- Enhanced operational efficiency, driven by streamlined communication, reduced reliance on manual intervention, faster decision-making and stronger team alignment.

Engagement Mode and Frequency

- O Internal communications
- O Knowledge-sharing engagements and forums
- AR Townhalls
- A Organisational culture survey
- O Upskilling sessions

SIC Shareholders, Investors and Credit Rating Agencies

Why They Matter to Us

Transparent disclosure of financial and strategic performance strengthens confidence, supports access to capital and helps manage cost of capital. Ongoing engagement provides market perspectives that guide our response to capital market developments and long-term strategic priorities.

Common Areas of Interest

- Business and industry outlook
- Project progress and deliverables
- Financial position and shareholder returns
- Energy transition initiatives
- Sustainable value creation
- Environmental, social and governance performance

Our Response

- Maintained transparent and timely communication through regular reporting, financial disclosures and performance updates.
- Demonstrated financial resilience and strengthened confidence through robust fundamentals and clear strategic direction.
- Strengthened sustainability disclosures in line with international standards to enhance transparency on long-term commitments and our Net Zero Carbon Emissions by 2050 Pathway.

Meaningful Outcomes

- Consistent access to accurate financial, strategic and sustainability information to support investment decisions and credit assessments.
- Financial resilience and strategic alignment, strengthening investor confidence and creditworthiness, and supporting stable credit ratings and access to competitive financing.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Conferences, forums, meetings and briefings
- O Financial results announcements
- A Analyst briefings
- A Annual General Meetings
- AR Announcements and disclosures via corporate websites and reports

Engaging with Stakeholders

Frequency
O Ongoing Q Quarterly A Annually AR As Required

M Media

Why They Matter to Us

We maintain constructive, two-way engagement with media partners to communicate our strategy, operations and priorities clearly, while gaining insights into community needs and customer perspectives. This engagement supports accurate reporting, informed dialogue and broader understanding of our role and impact.

Common Areas of Interest

- Societal progress
- Nation building
- Sustainability
- Environmental stewardship
- Governance
- Business strategy
- Financial performance
- Leadership
- Products and services

Our Response

- Fostered open and constructive engagements with media partners to support societal progress, strengthen industry understanding and improve awareness of PETRONAS' operating landscape.
- Leveraged media insights to strengthen organisational readiness and support timely, coordinated responses to emerging risks and issues.
- Supported media causes and recognised excellence in journalism, promoting transparency and the public's right to accurate information.

- Strengthened media collaboration to ensure timely, accurate and transparent reporting.

Meaningful Outcomes

- Enhanced understanding of PETRONAS' activities through proactive, accurate and transparent communication of business strategy, sustainability commitments and innovation efforts.
- Improved the quality of public discourse by providing clear, consistent and contextualised narratives that clarify PETRONAS' role, priorities and operating environment.
- Strengthened organisational readiness by leveraging media insights to deepen understanding of societal expectations, enabling faster, more coordinated and pragmatic responses to emerging risks and issues.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Meetings and briefings
- O Digital updates through websites and social media
- AR Press conferences, press releases and interviews
- AR Responses to media queries and maintain open communication channels

GIP Government-Linked Companies and Industry Partners

Why They Matter to Us

Partnerships with industry players support delivery across all business phases, strengthen standards and accelerate the adoption of sustainable energy technologies. Collaboration with Malaysian Government-linked Companies (GLCs) and other key partners aligns execution with national objectives while supporting energy security, revenue generation as well as environmental and social commitments. These partnerships drive collective progress in economic development, energy transition, innovation and responsible business practices.

Common Areas of Interest

- Governance and integrity
- Industry requirements, regulations and policies
- Business continuity and energy transition relevance
- Health, safety and environment
- Business opportunities and participation in relevant industries
- Industry partner capability development

Our Response

- Deepened strategic partnerships with GLCs and industry players to support business growth and advance sustainable energy initiatives.
- Leveraged structured forums, formal agreements and thought leadership platforms to unlock opportunities and support partners.

- Expanded supplier engagement and capability-building programmes to raise industry standards and promote sustainability across the OGSE sector.
- Enabled collaborative industry initiatives and events that strengthen digital capabilities, competitiveness and market resilience.

Meaningful Outcomes

- Elevated industry standards, regulatory maturity and industrial professionalism.
- Strengthened the resilience of Malaysia's OGSE sector.
- Enhanced sector capabilities, innovation uptake and market access, aligned with national energy transition and sustainability priorities.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Briefings, meetings and roundtable discussions
- O Dialogues, panels, conferences and exhibitions
- AR Company events
- AR Familiarisation visits and site visits

Frequency
O Ongoing Q Quarterly A Annually AR As Required

IO International Organisations

Why They Matter to Us

Partnerships and engagements with international organisations support coordinated action on shared priorities, including a just energy transition. These engagements strengthen PETRONAS' global standing, enable informed participation in international dialogue and support navigation of complex and evolving policy environments and fluctuating energy markets.

Common Areas of Interest

- Opportunities and barriers to a just energy transition
- Capacity and capability building
- Sharing of global best practices, frameworks and standards
- Joint projects and partnerships

Our Response

- Formed strategic partnerships to advance sustainability, including climate, nature and energy transition initiatives at regional and global levels, including policy and carbon market engagement.
- Worked with international organisations and industry groups to co-develop solutions for decarbonisation and methane emissions reduction.
- Participated in global dialogues, publications and knowledge-sharing to advance climate action and the energy transition.
- Built internal capability by working with global experts and specialised entities and initiatives to strengthen sustainability practices and governance alignment.

Meaningful Outcomes

- Reinforced PETRONAS' role as a recognised thought leader and strategic partner in advancing a just and inclusive energy transition and climate action.
- Facilitated cross-border knowledge exchange and solution development in decarbonisation, biodiversity and market-based climate mechanisms.
- Expanded access to regional transition financing and funding opportunities, supporting energy transition initiatives and long-term sustainability objectives.

Engagement Mode and Frequency

- O In-person and virtual engagements
- O Briefings, meetings and roundtable discussions
- O Dialogues, panels, conferences, exhibitions, awards schemes and secondments
- AR Company events
- AR Familiarisation visits and site visits

CN Communities and Non-Governmental Organisations

Why They Matter to Us

Engagement with communities and non-governmental organisations (NGOs) helps address social and environmental priorities that affect our operations. These relationships support community well-being, environmental stewardship and public trust, while sustaining our social licence to operate through open, transparent and inclusive dialogue, partnering around specific objectives, investments and donations.

Common Areas of Interest

- Human rights
- Education
- Community well-being and development
- Governance and integrity
- Health, safety and environment
- Compliance with relevant legislation
- Sustainability
- Ethical practices

Our Response

- Partnered with NGOs, academic institutions and local organisations to support environmental protection and sustainable development.
- Enabled inclusive community engagement through structured dialogue platforms, supported by accessible grievance mechanisms.

- Invested in education, particularly in Science, Technology, Engineering and Mathematics (STEM) and Technical and Vocational Education and Training (TVET), through targeted funding and industry-aligned programmes.
- Supported communities through focused relief, livelihood improvement and capacity-building initiatives, especially in underserved areas.
- Improved community health and safety awareness, disaster risk management and preparedness through simulation exercises.

Meaningful Outcomes

- Strengthened community resilience and socio-economic well-being through targeted, inclusive interventions.
- Enhanced environmental stewardship and local capabilities through sustained partnerships and sustainable initiatives.
- Reinforced community and NGO awareness, confidence and preparedness to manage potential risks, supporting local resilience.

Engagement Mode and Frequency

- O Meetings and briefings
- O PETRONAS' signature social impact programmes: Powering Knowledge®, Uplifting Lives® and Planting Tomorrow®
- O Engagements with local communities
- O Joint projects and partnerships

Delivering Our Strategy

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Core Business

More Energy, Less Emissions

Focus Areas

PETRONAS' Core Business is anchored in three integrated business segments spanning Upstream, Gas and Maritime, and Downstream. Together, these form a cohesive value chain that delivers reliable energy and industrial solutions in support of energy security, while generating resilient cash flows to sustain current commitments and fund New Business investments critical to advancing energy transition.

Upstream

As entrusted under the Petroleum Development Act 1974, we oversee the management and development of Malaysia's oil and gas resources, with a focus on shaping and accelerating Malaysia's upstream industry to ensure long-term energy security.

In 2025, Malaysia Petroleum Management (MPM) continued to strengthen Malaysia's upstream foundations and sustained investment interest, reinforcing the country's position as a vibrant exploration, development and production hub. We brought new opportunities to market, advanced our geological understanding and laid the foundations for more complex developments ahead. The focus was not only on today's activity, but on shaping an industry that remains relevant and competitive for decades to come."

Datuk Ir. Bacho Pilong
Senior Vice President, Malaysia Petroleum Management

Malaysia Bid Round 2025 Sustains Upstream Investment Momentum and Activates New Frontiers

Investor interest in Malaysia's upstream sector remained robust in 2025, anchored by the Malaysia Bid Round 2025 (MBR 2025). This round offered five exploration blocks and three Discovered Resource Opportunity (DRO) clusters across key basins, spanning a diverse range of geological settings and opportunity types. This breadth has reinforced sustained investor engagement and confidence in Malaysia's petroleum potential, while supporting the alignment of resource development with evolving demand centres and broader industrial growth.

In parallel, MPM advanced subsurface and seismic activities in frontier and under-explored areas to enhance geological understanding and improve data availability to further de-risk exploration.

This technical groundwork matters because much of Malaysia's remaining hydrocarbon potential lies within increasingly complex plays. While 40 billion barrels of oil equivalent (boe) have been discovered to date, an estimated 21 billion boe remain classified as 'yet-to-find', predominantly in deepwater areas that demand higher capital intensity and advanced technological capabilities. In response, our focus remains on sustaining investor confidence while strengthening technical readiness to unlock these complex, capital-intensive upstream opportunities.



PETRONAS Senior Vice President of MPM, Datuk Ir. Bacho Pilong, delivering a keynote at Malaysia Bid Round 2025.



We delivered a year of strategic transformation and disciplined execution, strengthening Upstream's ability to generate value across domestic and international basins. We progressed from forming new global collaborations and unlocking potential frontiers to advancing high-impact drilling results and deploying differentiated technologies at scale. In Malaysia, these efforts strengthened our position in the energy sector, while responsibly expanding the resource base."

Mohd Jukris Abdul Wahab
Chief Operating Officer, Executive Vice President and Chief Executive Officer, Upstream

Multiplying Upstream Value through PETRONAS' First Satellite Business Model

We continue to deliver advantaged hydrocarbons with lower costs and emissions while strengthening differentiated business and partnership models. As part of this, we have embarked on our first satellite business model with Eni, establishing a dedicated growth platform that strengthens capital efficiency, enables risk-sharing and accelerates upstream development across Southeast Asia. The proposed entity will consolidate 19 upstream assets in Malaysia and Indonesia, pooling approximately 3 billion boe of reserves and unlocking up to 10 billion boe of exploration potential, with a targeted medium-term production rate of around 500 thousand boe per day. Supported by planned CAPEX exceeding USD15.0 billion over five years, the model enhances value transparency and enables PETRONAS to scale selected assets through partnerships and differentiated funding structures.

Point of Interest

The satellite structure separates selected upstream assets into a dedicated platform, allowing PETRONAS to unlock value from mature and growth assets while retaining strategic oversight. This model enables faster development, shared investment and portfolio optimisation without diluting the strength of the Group's core upstream business.



PETRONAS' partnership with Eni will create a dedicated growth platform that strengthens capital efficiency, enables risk-sharing and accelerates upstream development across Southeast Asia.

Core Business
More Energy, Less Emissions

Unlocking New Gas Growth

We achieved a significant milestone in Suriname with the Declaration of Commerciality for the Sloanea offshore gas discovery. This development represents the basin's first commercial gas project and marks an important step in establishing a scalable, LNG-aligned gas growth platform. A subsequent offshore oil discovery further enhances the potential for an integrated oil and gas development, strengthening the long-term value proposition of the basin.

Building on this momentum, we secured three new Production Sharing Contracts (PSCs) in Suriname and marked our inaugural entry into Guyana through the award of Block S4. These strategic additions expanded our exploration portfolio in proven hydrocarbon basins, underpinned by encouraging well results from offshore Suriname, strengthening regional synergies and reinforcing our position in one of the world's most prolific petroleum provinces.

In Brunei, the Kelidang Cluster Development reached Final Investment Decision, marking the country's first ultra-deepwater gas project. The development incorporates advanced subsea and floating production technologies and is expected to play a key role in securing long-term gas supply to Brunei LNG.



Representatives from PETRONAS, Government of Guyana, TotalEnergies and QatarEnergy celebrating the momentous milestone together.

Advancing Portfolio High-Grading through Strategic Partnerships

Strategic partnerships support our upstream portfolio high-grading by unlocking value from mature assets, sharing development risks and enabling regional expansion. In Malaysia, collaboration with TotalEnergies expanded through a Strategic Cooperation Framework Agreement and two Farm-Out Agreements, improving capital efficiency and execution across Malaysian acreage. Portfolio optimisation also progressed through targeted operatorship transfers that strengthened operational focus and development efficiency.

Internationally, growth continued through selective partnerships and PSCs that balance risk and returns. Strategic Memoranda of Understanding were signed with Oman's OQ Exploration and Production New Ventures and Dragon Oil to extend our presence in the Middle East and Central Asia. In Indonesia, the Serpang and Binaiya PSCs strengthened the oil portfolio with short- to medium-term development upside. We also initiated a technical joint study with Petrovietnam to evaluate hydrocarbon potential in open oil and gas blocks, while an extension of a PSC in Turkmenistan, supported by a long-term gas sales agreement, strengthened the integrated gas position.

Vestigo, a wholly-owned subsidiary of PETRONAS focused on managing and optimising mature upstream assets, advanced this partnership-led approach through its first international collaboration with Pertamina.



Memorandum of Understanding (MoU) Signing Ceremony between Dragon Oil and PETRONAS Carigali International Ventures.

Accelerating Upstream Value through AI, Digital and Technology

Digital and technology innovation accelerate time to value and maximise performance across our Upstream portfolio. AI, advanced analytics and digital platforms enhance decision speed, strengthen operational reliability and unlock greater resource value across our global assets. We are scaling digital and AI solutions to enhance exploration insight, improve operational reliability and optimise field performance.

Powering Exploring through AI

We advanced the adoption of AI across our Upstream value chain through TriCiptaAI, our flagship AI venture with Beicip Franlab Asia and AFED Digital. In November 2025, two initial applications, AI.SEEK and Global Exploration Basin, delivered their first minimum viable products, using AI-driven basin benchmarking that integrates geoscience datasets to support faster and more informed exploration decisions. A Joint Development Agreement formalised at the Abu Dhabi International Petroleum Exhibition and Conference 2025 expands the collaboration into Exploration AI and Production AI, strengthening operational efficiency, improving investment decisions and unlocking additional value across our Upstream portfolio.

Predicting Failures Before They Happen

Our award-winning Predictive Rotating Equipment Analytics (PROTEAN™) uses machine learning to predict equipment failures before they occur, improving production reliability. Deployed across Malaysia and international assets, PROTEAN™ monitors over 350 critical rotating equipment items, helping to avoid unplanned downtime and production losses, reducing maintenance costs and improving asset reliability in 2025.

Saving Time, Optimising Resources

Enhanced Resource Monetisation Artificial Intelligence (ERMAI), our in-house AI solution, analyses subsurface data to identify opportunities faster, reducing analysis time from approximately six days to a mere six seconds. The platform enhances reserve recovery by identifying bypassed hydrocarbons through the Behind Casing Opportunity and enabling smarter drilling through the Real-Time Petrophysics. By minimising non-productive time and avoiding costly interventions, ERMAI delivered significant value uplift from improved reserve recovery in 2025.

Turning Data into Production Upside

Integrated Asset Management (IAM) transforms how fields are monitored and optimised by combining physics-based models with near real-time data. IAM enables faster identification of production optimisation opportunities and sharper surveillance practices. IAM has been deployed across eight fields, contributing measurable improvements in production efficiency and value realisation in 2025.

Point of Interest

TriCiptaAI enables global basin screening and prospect ranking on demand, significantly shortening early exploration cycles and accelerating exploration decision-making.



The flagship TriCiptaAI venture was commemorated at an Exchange of Documents ceremony in Abu Dhabi, United Arab Emirates, in November 2025.

Core Business
More Energy, Less Emissions

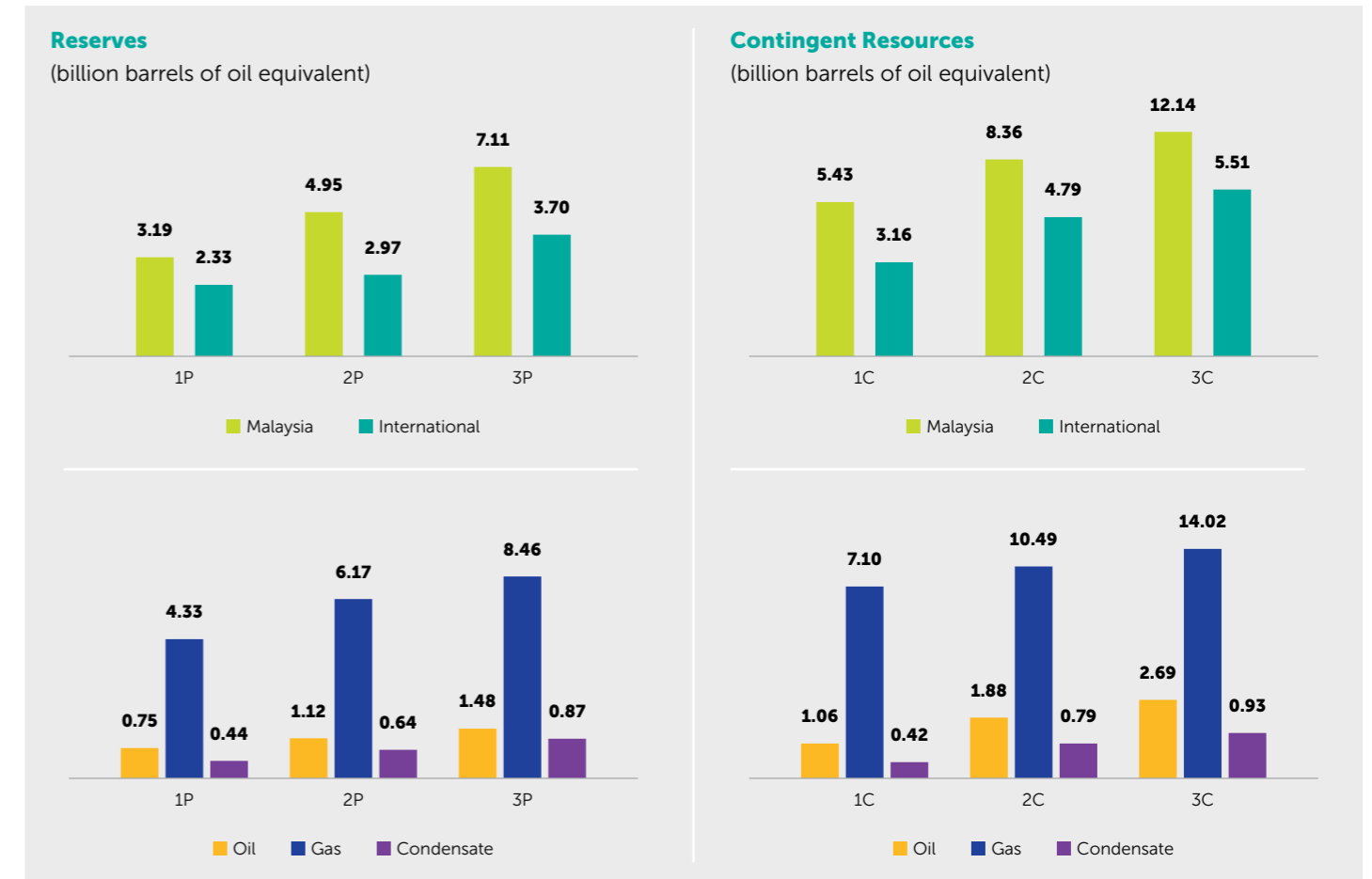
- Driving Innovation in Subsurface Imaging**
Exploration Platform for Integrated Computing (EPIC) 2.0, our next-generation high-performance computing platform, went live in September 2025 to enable faster, more accurate subsurface imaging. Building on EPIC 1.0, the platform uses parallel processing and advanced seismic techniques to handle more complex datasets and shorten processing time. By supporting priority projects in Suriname, Turkmenistan and Malaysia, EPIC 2.0 is helping teams reduce subsurface uncertainty and make better-informed exploration and development decisions as demand for seismic imaging continues to grow.
- Making Underwater Inspections Safer and Faster**
The Hovering Autonomous Underwater Vehicle (HAUV) offers a safer and more efficient way to inspect underwater structures by replacing diver-led inspections with high-precision, remotely operated technology. Using autonomous General Visual Inspection with intelligent station-keeping, HAUV maintains stability in currents and waves, captures accurate measurements and collects inspection data without human intervention. Pilot deployment at a platform in Sarawak, Malaysia in October 2025 demonstrated faster inspections, improved safety and lowered inspection costs by up to 50 per cent compared with traditional methods.
- Improving Decision-Making through Better Reservoir Modelling**
The Upstream Exploration and Development Modelling Programme improves how reservoirs are modelled and decisions are made by replacing fragmented workflows with integrated, data-driven approaches. By combining scalable earth modelling with uncertainty-focused ensemble modelling, Upstream Exploration and Development Modelling enables more consistent subsurface models, earlier risk assessment and faster project maturation across exploration, development and improved oil recovery opportunities. Rolled out across Malaysia and Suriname in 2025, the programme enables more confident decision-making and higher productivity through better use of seismic, well and production data.

- Well Intervention Fluid-Friction Modifier**
Water-based well intervention fluid-friction modifier (WIF-FM) is a specialty additive developed to address recurring field challenges where friction, drag and equipment stress limit tool reach, increase wear and complicate interventions in horizontal and deviated wells. WIF-FM has unlocked incremental production value by reactivating previously idle wells through more efficient and reliable interventions. It reduced intervention costs and equipment wear, improving safety, extending asset life and enabling sustainable well performance.
- Integrated Smart Desander System**
PETRONAS addressed sand management challenges by installing an Integrated Smart Desander System with online sand monitoring. Commissioned in October 2025, this dual-barrier system uses cyclonic separation and real-time monitoring to remove sand monthly from a previously idle well.

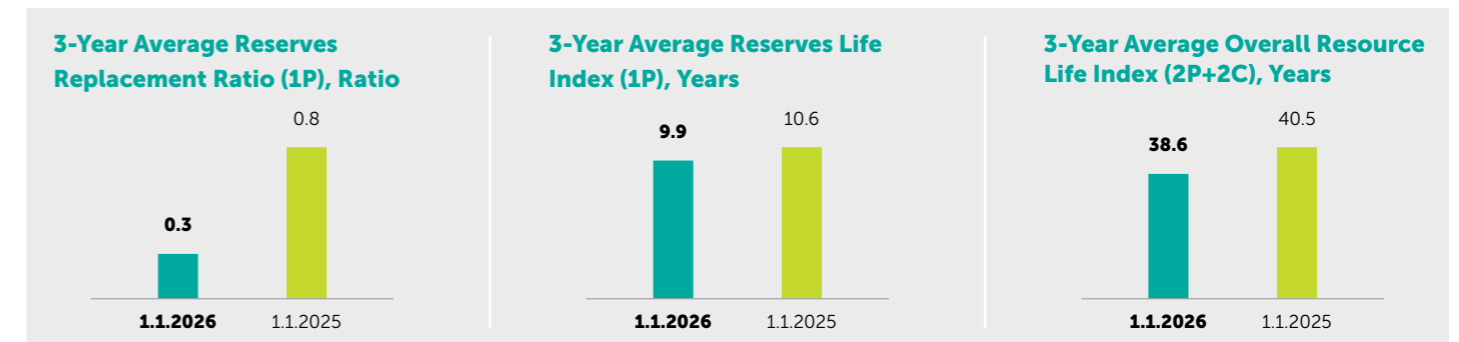
The solution restored stable operations, enabled 2 to 4 million standard cubic feet per day gas production and created a scalable model for high-sand wells across the Duyong field.
- Functionalised Graphene Oxide Rust Converter**
Functionalised Graphene Oxide (F-GO) Rust Converter, is a corrosion control technology designed for situations where traditional surface preparation is impractical due to cost, access or safety constraints. It converts existing rust into a stable layer for coating, reducing the need for abrasive blasting or complete rust removal. F-GO streamlines maintenance, cuts complexity, shortens execution time and can reduce costs by up to 60 per cent. It also enhanced asset integrity and safety through a scalable corrosion management solution that extends asset life and lowers life cycle costs.

2025 Performance Metrics

(i) Annual Review of Petroleum Resources 1 January 2026 Reserves and Contingent Resources



(ii) Reserves and Resources Performance Indicators



As at 1 January 2026, PETRONAS' total petroleum 2P Net Entitlement Reserves stood at 7.92 billion barrels of oil equivalent (boe), representing an 8 per cent decrease compared with 2024. Total Net Entitlement 2C Contingent Resources amounted to 13.16 billion boe, reflecting a 13 per cent reduction over the same period.

These movements reflect portfolio rationalisation efforts during the period, alongside continued project maturation activities. Looking ahead, we are pursuing a combination of organic and inorganic initiatives to reinforce the resilience and sustainability of our Reserves and Resources base.

Core Business
More Energy, Less Emissions

Our Challenges and Opportunities

Market Context

Portfolio high-grading, resource replenishment and decarbonisation imperatives call for stronger capital discipline, higher operational efficiency and lower-carbon production.

Strategic Response

- Accelerated portfolio high-grading with disciplined capital allocation towards value-accretive, low-cost and lower-carbon assets.
- Strengthened delivery of advantaged barrels through differentiated technical and commercial capabilities and faster time-to-value.
- Progressed physical decarbonisation by reducing flaring and venting, improving hydrocarbon and contaminant management, enhancing energy efficiency and adopting renewable energy solutions, while advancing carbon capture and storage (CCS) enablement.

Impact

- Strengthened portfolio resilience and cost competitiveness across the Upstream value chain.
- Lowered emissions intensity while sustaining long-term value creation and energy security.

Our Outlook

Short-term

We prioritise portfolio high-grading, directing capital towards value-accretive, low-cost and lower-carbon assets. Exploration continues to sustain the long-term viability of our resource base, supported by disciplined execution in Malaysia and selective expansion across international portfolios. Strategic partnerships and differentiated technical and commercial capabilities accelerate time-to-value and strengthen portfolio value. We continue to advance decarbonisation through targeted energy efficiency initiatives, methane management, flaring reduction and CCS solutions.

Medium- to Long-term

We focus on building a competitive and resilient portfolio that supports energy security and sustainable shareholder value in a lower-carbon environment. This will result in a more focused, resilient and value-dense portfolio, supported by the delivery of advantaged oil and gas products, at a lower cost, lower-carbon and higher margin production and an increasingly digital and AI-enabled operating model strengthening operational excellence. We also embed Net Zero Carbon Emission Facilities (NZCEF) principles in new field developments through upfront design solutions that integrate energy efficiency, methane management, zero routine flaring and CCS solutions.

Gas and Maritime



PETRONAS' LNG business is anchored on a strong, asset-backed supply base across Malaysia and our international positions, providing the scale, reliability and flexibility our customers depend on. Supported by our integrated shipping and maritime capabilities, we are able to deliver LNG safely and efficiently to markets worldwide, reinforcing our role in strengthening energy security through a diversified LNG portfolio."

Datuk Adif Zulkifli

Executive Vice President and Chief Executive Officer, Gas and Maritime

Strengthening our Position as a Global LNG Supplier

PETRONAS continues to diversify our supply nodes to better serve our customers. Through the newly operational LNG Canada, the first large-scale LNG export facility in Canada, we strengthened our LNG supply reliability as capacity of the plant was ramped up with Train 1 entering service in June and Train 2 in November 2025. Our first LNG cargo sailed in July 2025 to Japan, establishing another supply source that has a direct and efficient shipping route to North Asian markets.

Meanwhile, we continue to mature the progress of our third floating LNG. The hull was launched in February 2025, followed by completion of topside installation in November 2025. These milestones strengthen our readiness and reinforce our capabilities as a leading operator of floating LNG facilities and further strengthen our position as a global LNG supplier.



Point of Interest

LNG Canada is positioned as a leading source of lower-carbon LNG, underpinned by one of the world's lowest emissions intensities at approximately 0.15 tonnes of CO₂ equivalent per tonne of LNG production. As Canada's first LNG export facility, it plays a pivotal role in diversifying global LNG supply and strengthening energy security for Pacific markets. With Phase 2 development underway to potentially double production capacity, the project represents a long-term, scalable platform that supports the global energy transition while delivering reliable supply amid evolving market and decarbonisation demands.



Scan the QR code to know more about PETRONAS' first LNG cargo from the LNG Canada facility.

Expanding LNG Supply, Delivery Capability and Partnerships

Beyond investment in LNG facilities, our supply diversification also includes an asset-light approach. Through third-party offtakes, we added approximately 4 million tonnes per annum (MTPA) from new sale and purchase agreements with Commonwealth LNG, Woodside Energy Trading Singapore, Venture Global and Pembina. We employed a novel commercial structure that allows us to secure liquefaction capacity with zero capital investment.

In order to ensure seamless deliveries to our customers, we added eight new LNG carriers - Puteri Mayang, Puteri Sabah, Puteri Sarawak, Puteri Pahang, Puteri Selangor, Puteri Terengganu, Puteri Perlis and Puteri Perak. These new ships will support higher volumes and trading activities, while enhancing operational flexibility across the LNG value chain.

As part of our portfolio high-grading strategy, PETRONAS entered into a long-term strategic partnership with MidOcean Energy, introducing MidOcean as a 20 per cent equity partner in both the North Montney Upstream Joint Venture and the North Montney LNG Limited Partnership. The partnership enhances PETRONAS' gas position by bringing in a strategic partner across both upstream resource development and LNG production.

Core Business
More Energy, Less Emissions

Advancing Power and Infrastructure Business

We strengthened our presence in the power and infrastructure business during the year. This included receiving the Letter of Nomination for the development of a 120-megawatt gas-fired power plant in Labuan, Malaysia. The development will support power system stability and contribute to future economic growth in the region.

PETRONAS Gas Berhad (PGB) also progressed a new fibre optic infrastructure initiative that leverages our existing gas pipeline network to deploy fibre connectivity infrastructure. The project is expected to strengthen connectivity, enhance real-time monitoring capabilities and support greater operational reliability.



Progressing Liquefied Carbon Dioxide Shipping and Vessel Capabilities

In the maritime segment, we continue to expand our capabilities while supporting our Energy Transition Strategy. The incorporation of Jules Nautica, a joint venture between PETRONAS CCS Ventures (PCCSV), MISC and Mitsui O.S.K Lines, marks a major step toward designing, building and operating Liquefied Carbon Dioxide (LCO₂) carriers to enable the safe and efficient transport of captured CO₂ to offshore storage sites. The design, developed with Shanghai Merchant Ship Design & Research Institute has received Det Norske Veritas (DNV) General Approval for Ship Application (GASA) certification, positioning PETRONAS at the forefront of regional CO₂ shipping solutions and unlocking cross-border CCS opportunities.

MISC also supported maritime capabilities for the wider industry. We expanded our fleet capability through the delivery of seven consortium-owned next-generation LNG carriers, including two that are fully operated by MISC, namely Mihzem and Idd Al Shargi, delivered as part of QatarEnergy's LNG expansion programme. Time charter party agreements with PTT for two new-build Very Large Ethane Carriers further expanded our shipping portfolio.

Offshore, the Floating Production, Storage and Offloading (FPSO) Marechal Duque de Caxias reached its nameplate oil production capacity within its first year of operations, achieving stable post-start-up performance while maintaining a Lost Time Injury-free safety record.



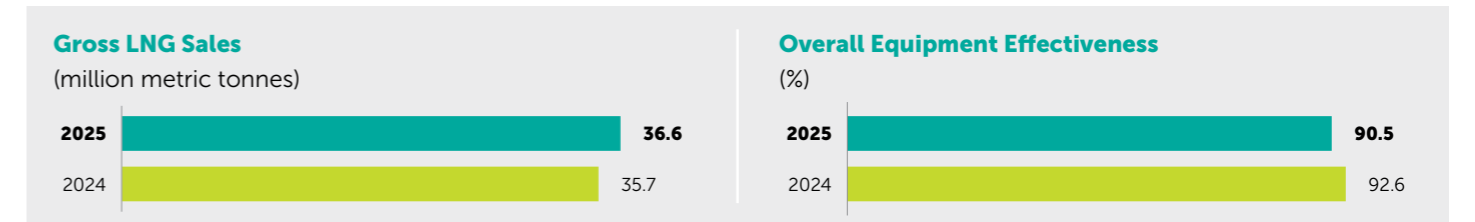
Integrated Emergency Response and Recovery

PETRONAS activated its emergency response framework following the April 2025 fire incident involving PGB's Peninsular Gas Utilisation (PGU) pipeline near Putra Heights, Subang Jaya, Malaysia, containing the situation while the relevant authorities evacuated the surrounding communities. Following the incident, we prioritised transparent engagement with affected communities, working closely with state and federal agencies. Relief efforts and volunteer supports were mobilised at temporary centres to assist displaced families and ensure their safety.

We worked closely with government agencies and relevant authorities to restore and maintain gas supply as quickly as possible in a safe manner towards ensuring uninterrupted energy access.

We also strengthened community engagement and expanded outreach along pipeline corridors to improve dialogue with residents and authorities. PETRONAS continues to collaborate with stakeholders where development intersects with pipeline infrastructure to support safe, long-term coexistence.

2025 Performance Metrics



Our Challenges and Opportunities

Market Context

LNG is increasingly recognised as a destination fuel in the energy transition. Meanwhile, domestic energy demand is projected to grow in line with the expansion of data centres. There is expected to be an increasing reliance on gas as the retirement of coal-fired power plants commences from 2029 onwards. In terms of challenges, plant reliability, ageing infrastructure and supply disruptions have highlighted the need to improve system reliability and operational agility.

Strategic Response	Impact
<ul style="list-style-type: none"> Accelerated reliability investments, pipeline integrity programmes and supply rebalancing. Strengthened monitoring and analytics to improve responsiveness. 	<ul style="list-style-type: none"> Enhanced supply reliability and reduced operational risk.

Our Outlook

Short-term

We are expanding our LNG supply portfolio with a focus on identified growth projects in Canada and Malaysia, while maximising value from existing assets by driving operational excellence and delivery performance. Under our Maritime segment, efforts will centre on strengthening core operations, expanding into new energy solutions and enhancing our emissions reduction efforts. These will help strengthen energy security, sustain our leadership in the LNG market and realise the synergistic value of Maritime as part of our Core Business.

Medium- to Long-term

As global demand continues to grow, we remain focused on maintaining LNG market leadership while offering a suite of energy solutions tailored to customer needs. In the Maritime business, our strategic priorities include identifying new opportunities to expand our business and asset portfolio and capitalising on the global energy transition as the world evolves towards a circular economy.

Core Business
More Energy, Less Emissions

Downstream

“*In the face of industry-wide margin compression and price volatility, Downstream delivered steady and reliable performance through disciplined operations, prudent cost management and focused execution. Strategic enhancements to our capabilities within the core spaces of petrochemicals, lubricants, refining, marketing and trading further sharpened our customer offerings and fortified our competitiveness. These outcomes reflect our commitment to operational and commercial excellence, delivering safe, competitive and customer-centric solutions across the Downstream value chain.*”

Datuk Sazali Hamzah
Executive Vice President and Chief Executive Officer, Downstream

Executing BUDI95 with Excellence for Our Customers and Nation

The BUDI MADANI RON95 (BUDI95) fuel subsidy programme, rolled out in September 2025 nationwide, was implemented across PETRONAS Dagangan Berhad (PDB)’s retail and digital platforms. The programme was operationalised at scale while strengthening customer engagement through digital-led execution. We coordinated across our retail operations, digital capabilities and payment platforms to maintain transaction continuity and deliver a consistent forecourt experience. The Setel™ app anchored the rollout as the first fully integrated platform, supporting customer onboarding and usage. The positive response reflected strong digital adoption, with the Setel™ user base expanding from 8 million to over 11 million by year-end. Customer traction increased by 31 per cent, while digital transactions adoption grew across PETRONAS stations.



Expanding Our Brand Presence

We continue to advance our international retail participation through a structured brand-licensing model, enabling market entry with zero CAPEX. By leveraging partner capabilities and in-market infrastructure, this approach supports scalable expansion while creating long-term enterprise value.

Through PETRONAS’ brand licensing initiative, our collaboration with SIM Distribuidora in Brazil has accelerated market entry, expanding the retail network from three PETRONAS-branded stations in 2024 to 102 stations by the end of 2025. The branded forecourt network establishes a scalable channel for us to extend access to our full suite of fluid technologies, spanning fuels, lubricants and beyond.

The model has also enabled broader enterprise participation across the Group by design, reflecting the deliberate embedding of alternative profit opportunities. Phase One of the TipTop Enterprise App (TEA App) was rolled out in October 2025 to support retail coordination, alongside PETRONAS Trading Corporation (PETCO), the Group’s trading arm, pursuing product supply opportunities into Brazil.

We continue to integrate digital capabilities and trading activities to enhance connectivity across the value chain, supporting a more coordinated and scalable approach to enterprise participation.

Point of Interest

PETRONAS has introduced a structured retail brand-licensing model to scale our international presence through partnerships with established local operators. This model enables us to extend our PETRONAS brand, technology and digital solutions through shared frameworks and systems, while partners invest in and operate the stations in compliance with local regulations. This zero-CAPEX model enables faster market entry and scalable growth.

Elevating Fleet Performance

Commercial fleets continue to operate amid changing transport demands and tightening emissions requirements, placing greater emphasis on efficiency, reliability and engine performance. PETRONAS Lubricants International (PLI) introduced the enhanced PETRONAS Urania range, strengthening its flagship lubricant offering for commercial vehicles. The upgraded range harnesses PLI’s proprietary StrongTech™ technology to deliver longer oil life, improved fuel economy, enhanced engine protection and maximised uptime, helping fleets run efficiently even as emission standards tighten and usage patterns evolve. Simplified product navigation and value-added support services that complement the product offering make it easier for fleet operators and mechanics to select and apply the right solution.

Operational Resilience Underpins Strong Plant Utilisation

PETRONAS Chemicals Group (PCG) demonstrated resilience in the face of operational disruptions during the year, notably the utilities interruption at the Kertih Integrated Petrochemical Complex. Temporary feedstock constraints were also experienced following the April 2025 fire incident at the PETRONAS Gas Berhad (PGB) main pipeline near Putra Heights, Subang Jaya, Malaysia, in a separate incident. These events posed short-term challenges to production continuity across selected operations.

Despite these headwinds, the Group maintained an overall plant utilisation rate of 88 per cent, reflecting the resilience of PCG’s asset base, supported by effective cross-plant coordination and operational planning.

While operations were stabilised and available capacity optimised across the network, these challenges underscore the importance of sustaining operational excellence through enhanced reliability, strengthened feedstock security and disciplined execution.

Streamlining Inspection Workflows

The Machine Vision and Inspection Workflow Management System (MAVIS) contributes to cost optimisation by streamlining end-to-end inspection workflows through a single, integrated digital platform. It replaces fragmented and manual processes previously used for inspection reporting, PETRONAS Risk-Based Inspection updates and recommendation action management.

Pilot deployments across selected operating units have demonstrated improvements in Process Cycle Efficiency, resulting in reduced manhours and optimisation of external inspection and clerical resources. Improved data quality and faster turnaround also reduce rework, reporting delays and value leakage, supporting sustainable cost efficiency while maintaining regulatory compliance and asset integrity performance.

Early Detection of Operational Risks

The Dynamic Risk Analyser (DRA) is an advanced risk analytics and early-warning platform that continuously monitors real-time process and equipment data. It detects hidden anomalies and near-miss events, enabling proactive identification of emerging operational risks before they escalate into incidents or unplanned shutdowns.

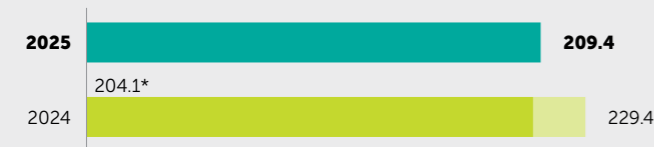
Its implementation enhances operational reliability and on-stream efficiency by providing early warnings for abnormal behaviour, allowing timely intervention and reducing unexpected trips and downtime. DRA also strengthens process safety management through improved risk visibility, structured anomaly prioritisation and continuous monitoring, while fostering better collaboration between operations and technical teams.

Core Business
More Energy, Less Emissions

2025 Performance Metrics

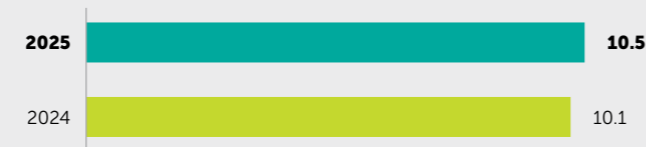
Petroleum Products Sales

(million barrels)
* Excluding volume from the divested Engen Group in 2024

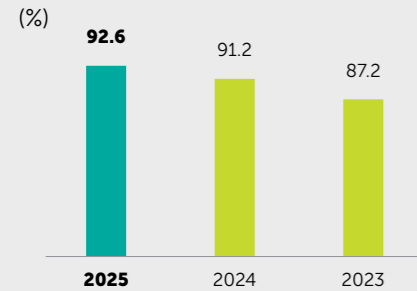


Chemical Products Sales

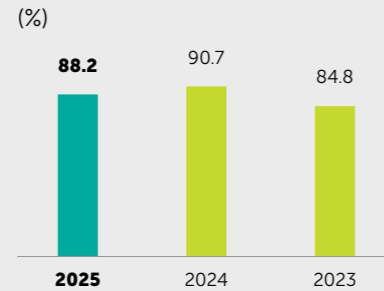
(million metric tonnes)



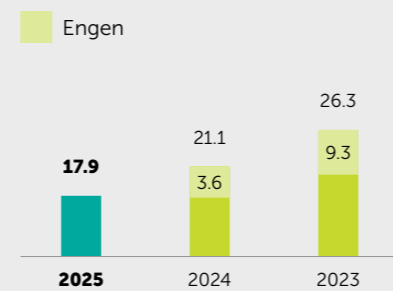
Downstream Overall Equipment Effectiveness



Petrochemical Plant Utilisation (Nexant)



Overall Marketing Sales Volume



Our Challenges and Opportunities

Market Context

Changing market conditions and evolving customer expectations highlighted the need for more resilient operations and higher-value, solutions-based offerings.

Strategic Response

- Strengthened cost discipline, asset reliability and customer-centric products across lubricants, commercial fuels and retail.
- Expanded partnerships and service-led solutions.
- Innovated and diversified the existing core portfolio to better serve customer needs.

Impact

- Strengthened the Downstream portfolio domestically and internationally.
- Sustained customer retention reinforces strategic positioning to continue delivering long-term value to shareholders and stakeholders.

Our Outlook

Short-term

We enhance operational efficiency and asset reliability by optimising production and strengthening safe, reliable operations across our refineries and chemical plants to sustain competitiveness and strengthen resilience. Despite volatile markets, we are strengthening supply chain robustness and expanding our product offerings to meet evolving customer and market needs.

Medium- to Long-term

We continue to drive operational and commercial excellence across our Downstream assets through sustained investments to deliver safe, reliable and efficient operations, while building a more diversified and resilient energy resource to support global demands for future energy solutions. This helps PETRONAS adapt to changing market dynamics and supports a stronger position in the downstream sector.

New Business
Capturing New Growth Opportunities

Focus Areas

PETRONAS' New Business strategy focuses on developing and scaling ventures beyond its traditional core activities to future-proof our business portfolio, enhance resilience and respond to evolving customer and energy-transition needs. These ventures progress through a combination of organic growth and selective inorganic opportunities, supported by partnerships, technology deployment and the development of new capabilities across the Group.

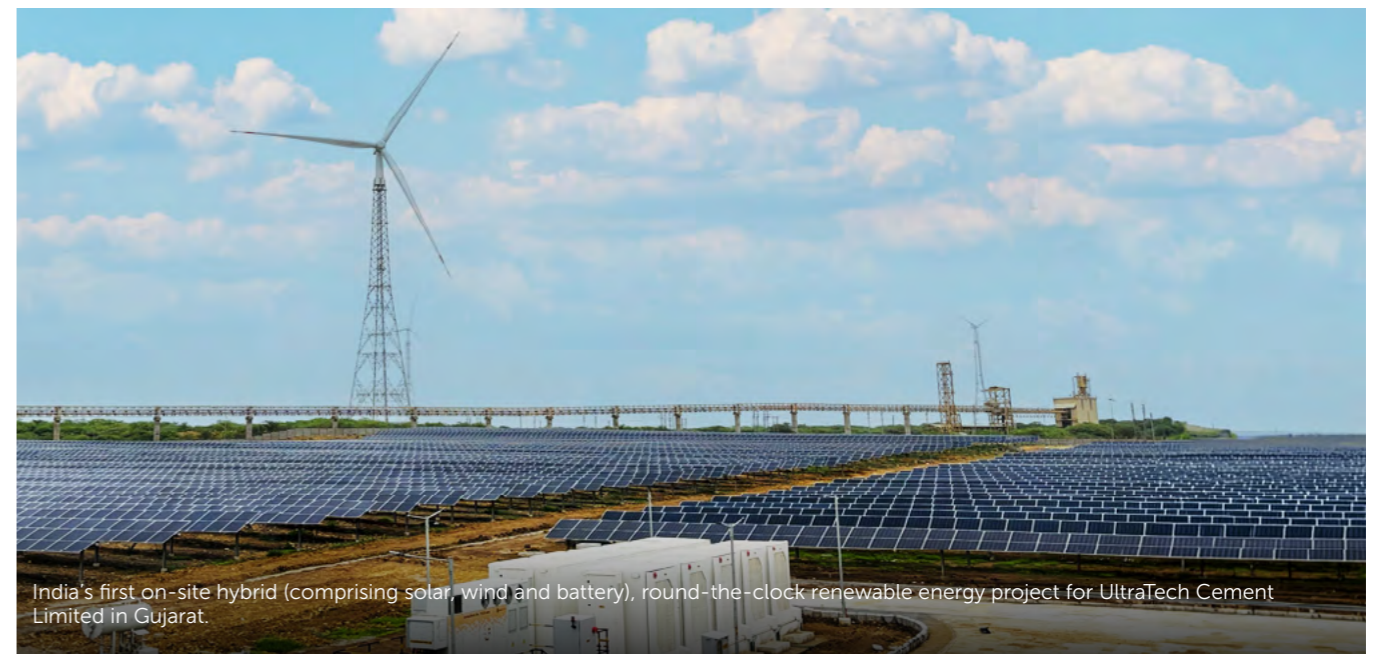
Renewable Energy

Regional integration is progressing across our businesses, supported by collaborations that enable clean energy solutions to extend beyond individual markets."

Sushil Purohit
Group Chief Executive Officer, Gentari

Scaling Global Renewable Capacity to 9.1 GW

We continued to expand our renewable energy footprint through our clean energy subsidiary, Gentari, reaching a cumulative installed and under construction capacity of 9.1 gigawatts (GW) across solar, wind and battery energy storage projects. Growth was driven by disciplined execution across priority Asia Pacific markets, supporting PETRONAS' Energy Transition Strategy through the delivery of commercially viable clean electricity solutions. Gentari's portfolio spans utility-scale and commercial and industrial renewable energy projects, integrated renewable-plus-storage facilities, and enabling infrastructure. These assets are designed to operate with existing power systems, contributing to grid flexibility and energy security while supporting customers' decarbonisation objectives.



India's first on-site hybrid (comprising solar, wind and battery), round-the-clock renewable energy project for UltraTech Cement Limited in Gujarat.

New Business
Capturing New Growth Opportunities

Driving Tangible Steps towards Regional Power Interconnectivity

We participated in a Joint Development Agreement to explore renewable electricity exports from Vietnam to Malaysia and Singapore, advancing regional power integration across ASEAN. Through the MY Energy Consortium, established with Tenaga Nasional, the initiative evaluates Vietnam's renewable energy potential, with an initial focus on offshore wind, and explores cross-border transmission frameworks to enable clean electricity trade.

This collaboration with PetroVietnam Technical Services Corporation and Sembcorp Utilities supports the development of regional power connectivity while expanding access to larger renewable electricity markets and strengthening energy diversification across Southeast Asia.



Advancing cross-border renewable electricity trade to accelerate ASEAN's transition to a lower-carbon energy system.

Reaching Production Phase in Wind Energy

The Hai Long Offshore Wind Project achieved first power delivery to Taipower's grid, marking a key milestone in Gentari's offshore wind portfolio. The project progressed through construction and commissioning activities, including offshore and onshore substations and phased turbine connections, advancing towards full commercial operations.

Our participation in one of Asia Pacific's largest offshore wind developments strengthens Gentari's execution capability in complex marine construction, grid integration and partnership delivery, supporting disciplined expansion into utility-scale offshore renewables.

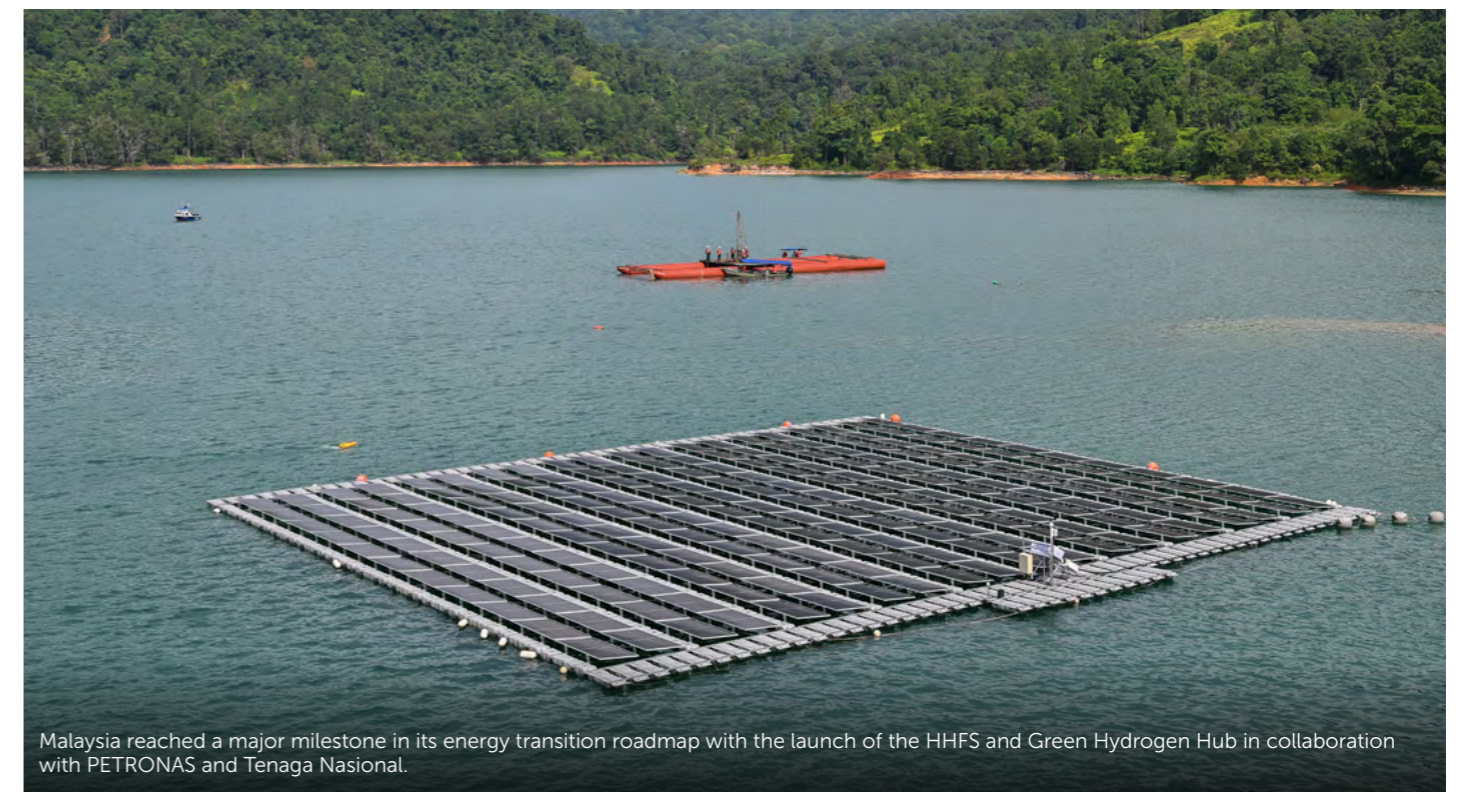


Installation of an offshore wind turbine at the Hai Long Offshore Wind Project, off the Changhua coast.

Hybrid Renewable Power

We supported the launch of Malaysia's first Hybrid Hydro Floating Solar (HHFS) and Green Hydrogen Hub at Kenyir, Terengganu, Malaysia, integrating floating solar with existing hydropower infrastructure at the Sultan Mahmud Hydro Electric Power Station. Delivered in collaboration with Tenaga Nasional and Terengganu Inc., the HHFS initiative represents Malaysia's first deployment of hybrid hydro-floating solar at this scale. The project explores hybrid generation by optimising the use of water surfaces while leveraging hydropower operations to support grid stability.

This pilot aligns with Malaysia's National Energy Transition Roadmap (NETR) and Hydrogen Economy and Technology Roadmap (HETR) by advancing integrated clean energy pathways within a single site. It provides an operational reference for assessing the technical and system-level considerations of hybrid renewable solutions for potential future applications.



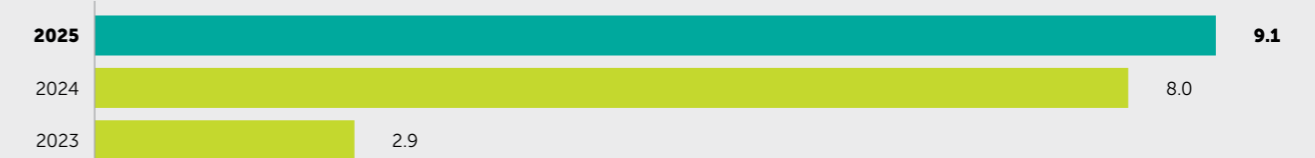
Malaysia reached a major milestone in its energy transition roadmap with the launch of the HHFS and Green Hydrogen Hub in collaboration with PETRONAS and Tenaga Nasional.

2025 Performance Metrics

Renewable Energy Total Capacity

(gigawatt)

Installed and under construction



Notes:

- For 2024 and prior, the measurement is renewable energy capacity only.
- For 2025, the measurement is renewable energy and storage capacity.

New Business
Capturing New Growth Opportunities

Our Challenges and Opportunities

Market Context

Grid constraints, pricing volatility and growing demand for firm and dispatchable renewable power highlighted the need for scalable solutions that improve cost competitiveness, system flexibility and operational reliability.

Strategic Response

- Prioritised utility-scale renewable projects to improve cost competitiveness and reduce the levelised cost of electricity.
- Increased focus on hybrid configurations, including renewable-plus-storage solutions, to enhance dispatchability and time-shift value.
- Strengthened project delivery discipline to manage cost, schedule and supply chain pressures.
- Enhanced asset management practices to sustain operational performance and long-term value.

Impact

- Improved portfolio resilience against grid constraints and pricing volatility.
- Strengthened revenue stability through longer-duration and dispatchable renewable solutions.
- Maintained competitiveness amid supply chain pressures and cost inflation.
- Strengthened long-term asset performance and portfolio value.

Our Outlook

Short-term

We continue to focus on strengthening delivery excellence in priority markets by progressing renewable energy projects from development into execution across Malaysia, India, Australia and the broader Asia-Pacific region as detailed below.

- Advancing the Large-Scale Solar (LSS) 5 project in Malaysia towards groundbreaking in 2026.
- Progressing the Karur Wind Power Project in India towards operations in 2027 under a long-term power purchase agreement.
- Delivering hybrid solar and battery energy storage system (BESS) solutions through the Maryvale Project in Australia to support grid stability.
- Advancing the Hai Long Offshore Wind Project off the Changhua coast following the achievement of first power delivery.

Efforts will continue to support rising demand for reliable, lower-carbon power, including from hyperscale data centres, through the deployment of LSS and BESS solutions. Key priorities include:

- Progressing the partnership with Gamuda under the Corporate Renewable Energy Supply Scheme (CRESS) framework to deliver up to 1.5 GW of solar and BESS capacity in Malaysia.
- Supplying wind power in India to support long-term clean energy requirements.
- Supporting national energy transition targets together with customers' decarbonisation needs.

Medium- to Long-term

We aim to expand customer-centric hybrid and BESS solutions through the rollout of co-located and standalone BESS between 2026 and 2028. This includes integrating storage capabilities into solar portfolios and capturing longer-duration, dispatchable value to support grid resilience, strengthen energy reliability and support more stable long-term revenue streams.

Specialty Chemicals



The continued strengthening of our specialty chemicals portfolio, through new innovations, closer customer collaboration and lower-carbon capacities, positions PCG to deliver safe, reliable and differentiated solutions for long-term resilience."

Mazuin Ismail

Senior Vice President and Managing Director/Chief Executive Officer, PETRONAS Chemicals Group

Bringing Innovation Closer to Customers in Asia

PETRONAS Chemicals Group (PCG) further strengthened specialty chemicals capabilities in Asia with the launch of the PETRONAS Application Technology Centre in Shanghai, China. The facility places advanced testing, formulation and customer collaboration closer to key growth markets, enabling faster product development cycles and more responsive technical support. This move enhances PCG's ability to co-create high-performance solutions with customers across industrial lubricants, coatings, engineered fluids and more.



Specialty chemicals facility at the PETRONAS Application Technology Centre in Shanghai, China.



PCG's line-up of synthetic engineered fluids is developed with sustainability considerations integrated from the start and embedded across the product life cycle.

Expanding High-Performance Synthetic Fluids Portfolio

We expanded our synthetic polyol ester portfolio within the Engineered Fluids Solutions segment, strengthening presence in high-performance thermal management applications. This expansion reinforces PCG's shift toward differentiated, technology-driven specialty segments that support more resilient margins while addressing evolving environmental standards.

Point of Interest



Synthetic polyol ester fluids are increasingly used in advanced thermal management systems for high-density electronics, electric vehicles and data centres. Their chemistry can also be engineered for improved biodegradability and low toxicity compared with conventional mineral-oil-based fluids.

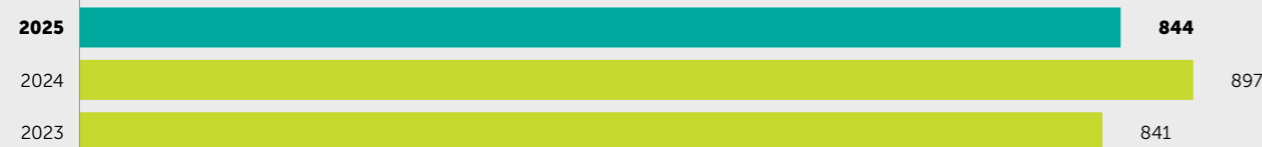
New Business
Capturing New Growth Opportunities

Broadening the Emfinity® Bio-Based Portfolio

Building on the introduction of Emfinity® CGSA 200B in 2024, we extended our reach in the bio-based personal care sector through the expansion of our Emfinity® portfolio with two new variants: CGSA 50B for haircare and CGSA 600B for cosmetics. The new products debuted at in-cosmetics Asia 2025 and scaled Emfinity® applications across a broader range of personal care formulations. Produced at PETRONAS Research Sdn Bhd’s pilot plant, the new variants are being introduced to selected customers to support early trials and adoption.

2025 Performance Metrics

Specialty Chemicals Sales Volume
(kilometric tonnes)



Our Challenges and Opportunities

Market Context

Volatile market conditions, margin pressure and rising demand for differentiated and sustainable solutions highlighted the need to strengthen portfolio quality and innovation-led growth.

Strategic Response

- Prioritised higher-value specialty segments and maximised value from established capabilities and expertise through BRB and Perstorp.
- Accelerated product innovation and application development through closer customer collaboration.
- Leveraged strategic partnerships to expand market access and strengthen technical capabilities.

Impact

- Improved resilience against market volatility and sustained demand in targeted segments.
- Strengthened competitive positioning through differentiated products.
- Supported more stable earnings and long-term portfolio strength.

Our Outlook

Short-term

We continue to strengthen the portfolio by maximising value from existing capabilities, including through BRB and Perstorp. Our efforts will focus on identifying high-potential growth segments and applications to support more resilient earnings, accelerating product development and innovation to meet evolving customer requirements, and enhancing operational and commercial integration across specialty chemicals operating units to improve execution and time-to-market.

Medium- to Long-term

Our focus remains on expanding the specialty chemicals business beyond its current footprint through selective and strategic acquisitions, advancing priority growth projects to scale capabilities and broaden market presence, and implementing targeted market expansion strategies in selected geographies and end sectors. These efforts support the development of a robust pipeline of differentiated specialty products.

Bio-Based Value Chain

“The development of our bio-based value chain reinforces PETRONAS’ role as an enabler of Malaysia’s net zero commitment while supporting the national energy transition through future fuels. The biorefinery provides a strategic platform to scale capabilities, build partnerships and strengthen market readiness. It also positions us to meet the rising demand for lower-carbon fuels with commercially viable solutions, particularly in the aviation and transport sectors facing increasingly stringent emissions requirements.”

Jazlinawati Osman
Vice President, Refining, Marketing and Trading



Groundbreaking ceremony of PETRONAS’ first biorefinery at the Pengerang Integrated Complex, Johor, Malaysia.

Breaking Ground on PETRONAS’ First Biorefinery in Pengerang

We moved into the execution phase of our renewable fuels strategy with the groundbreaking of our first biorefinery at the Pengerang Integrated Complex (PIC), which is targeted to commence operations by the second half of 2028.

The biorefinery will convert renewable feedstock into Sustainable Aviation Fuel (SAF), renewable diesel (also known as Hydrogenated Vegetable Oil, or HVO) and bio-naphtha, expanding our portfolio into lower-carbon fuels.

Strategic partnerships with Enilive and Euglena strengthen technology readiness and support sustainable feedstock development. Enilive contributes bio-refining technology and operational expertise, while Euglena provides innovative feedstock development capabilities.

Point of Interest

With a planned processing capacity of 650,000 tonnes of renewable feedstock annually, the biorefinery is designed to leverage integration within PIC, supporting feedstock flexibility and product optimisation as market demand evolves.

New Business
Capturing New Growth Opportunities

Building Commercial Readiness for Sustainable Aviation Fuel

We advanced commercial readiness for Sustainable Aviation Fuel (SAF) by delivering Malaysia's first locally blended SAF to Kuala Lumpur International Airport (KLIA) for the Malaysia Aviation Group, enabled through its integrated supply chain. The fuel was blended at PETRONAS facilities and supplied through existing logistics and distribution infrastructure via Malaysian Refining Company's multi-product pipeline, demonstrating end-to-end capability from blending to delivery. Certified to international sustainability and aviation standards, the delivery of SAF builds confidence in local supply capability. We undertook structured engagement with regional airlines, logistics providers and policymakers to align certification, offtake and deployment requirements, supporting greater SAF adoption across the aviation value chain.



Malaysia Airlines' aircraft being refuelled with the country's first locally blended SAF at KLIA.

Our Challenges and Opportunities

Market Context

Feedstock availability constraints, cost competitiveness of bio-based fuels and uneven market adoption underscored the need to build value-chain readiness ahead of scale-up.

Strategic Response

- Strengthened strategic partnerships to secure sustainable feedstock and support long-term sourcing reliability.
- Advanced commercial and operational readiness across supply, logistics and customer engagement.
- Focused market development on aviation and transportation segments with clearer regulatory drivers for lower-carbon fuels.

Impact

- Enhanced reliability in feedstock sourcing through strategic supply-chain partnerships and coordination.
- Improved readiness to scale bio-based operations through stronger integrated value chain ecosystem.
- Strengthened early positioning in priority markets and demand security for lower-carbon fuels.

Our Outlook

Short-term

We are building readiness for scale through strategic partnerships that secure sustainable feedstock and enable early market access. Efforts focus on advancing commercial and operational readiness for PETRONAS' first biorefinery, strengthening positioning in priority markets with near-term demand for lower-carbon fuels, particularly across aviation, transportation and adjacent sectors, and developing foundational capabilities across supply, logistics and customer interfaces.

Medium- to Long-term

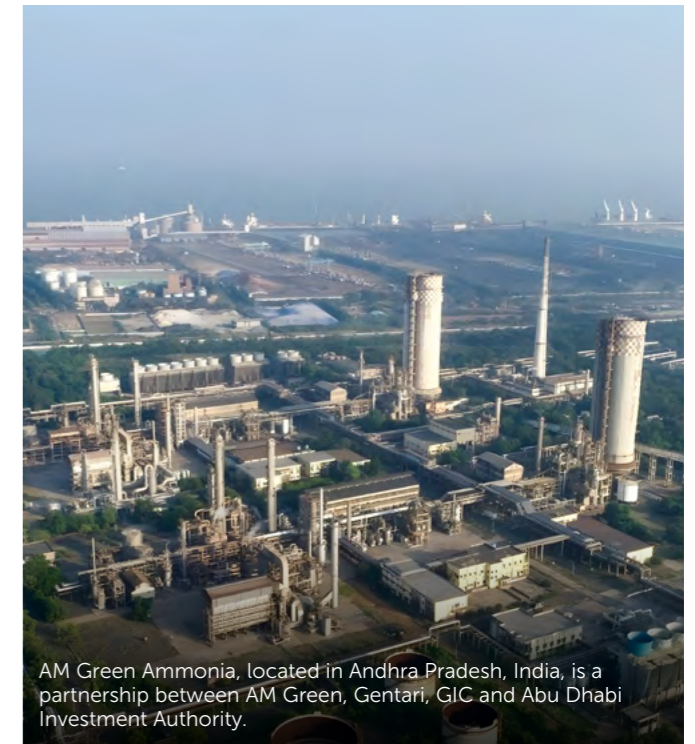
Our focus will remain on scaling the bio-based ecosystem through integrated value chain development. This includes securing long-term access to sustainable feedstock through structured sourcing arrangements and strategic collaborations, expanding market reach across aviation, transportation and adjacent sectors, and integrating bio-based offerings within PETRONAS' broader downstream portfolio to support sustained growth and long-term value creation.

Hydrogen

Building Hydrogen Readiness Across Asia and Europe

In 2025, we advanced hydrogen as a longer-term growth platform, supported by key milestones including the offtake agreement with Uniper SE via our partner AM Green for green ammonia supply, alongside broader project development and collaborations across Asia and Europe. These activities aim to strengthen the technical, commercial and partnership foundations required for hydrogen development. This supports our Energy Transition Strategy and reinforces our long-term decarbonisation objectives.

Hydrogen activities during the year remained primarily at the early development stage across multiple markets. In Malaysia, we collaborated with state and national stakeholders to assess potential pathways for lower-carbon hydrogen production and downstream applications. Across the region, partnerships and project development initiatives strengthened market understanding, ecosystem formation and risk assessment, particularly for applications in industry, power generation and heavy mobility, where direct electrification remains challenging.



AM Green Ammonia, located in Andhra Pradesh, India, is a partnership between AM Green, Gentari, GIC and Abu Dhabi Investment Authority.

Establishing a National Hydrogen Deployment Platform

We successfully delivered the Mobile Hydrogen Refuelling System (MHRS) project for NanoMalaysia, a business entity under the Ministry of Science, Technology and Innovation.

The project advances Malaysia's Hydrogen Economy and Technology Roadmap (HETR) by operationalising a practical hydrogen refuelling solution and contributing to national energy transition priorities.

Beyond its immediate deployment, the MHRS establishes a foundation for future hydrogen programmes by integrating policy alignment, technical assessment and structured implementation planning. This approach helps strengthen ecosystem readiness, reduce execution risks for future hydrogen projects and support broader investment interest in the hydrogen value chain.

The successful delivery positions PETRONAS to support future hydrogen initiatives, policy implementation and potential commercialisation opportunities as Malaysia's hydrogen ecosystem continues to evolve.

Point of Interest

The MHRS project was delivered four months ahead of the contractual schedule, meeting the customer's early launch requirements while maintaining assured delivery quality.



A mobile hydrogen refuelling station, under the MHRS, located at Presint 2, Putrajaya, Malaysia.

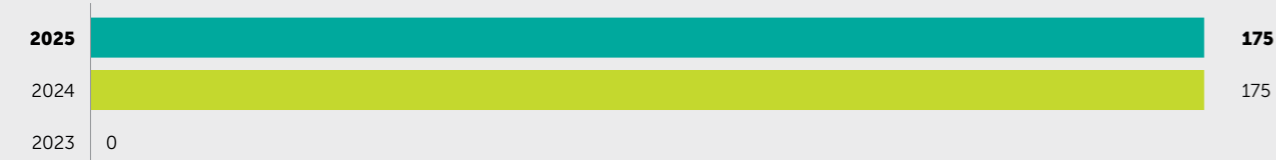
New Business

Capturing New Growth Opportunities

2025 Performance Metrics

Hydrogen - Matured Hydrogen Opportunities Achieved

(kilotonnes per annum)



Our Challenges and Opportunities

Market Context

Early-stage ecosystem development, policy momentum and emerging demand signalled opportunities to shape standards, develop reference projects and position hydrogen for future scale, while regulatory and offtake uncertainty required disciplined progression.

Strategic Response

- Delivered the MHRS foundational pilot project to establish technical and operational readiness in collaboration with government agencies and partners.
- Phased and disciplined capital deployment for large-scale hydrogen projects amid regulatory and offtake uncertainty.
- Advanced bilateral engagements and tender-based opportunities to develop offtake pathways in selected markets.
- Strengthened partnerships across the hydrogen value chain and assessed use cases including refinery integration and bunkering applications.
- Maintained a demand-led, commercially grounded approach while engaging stakeholders to support policy alignment across Asia Pacific.

Impact

- Reduced delivery risk for future hydrogen projects.
- Improved readiness for commercialisation as demand, infrastructure and policy frameworks mature.
- Reduced exposure to regulatory and offtake risks through phased investment and demand-linked development.
- Strengthened positioning to support the development of a viable regional hydrogen ecosystem, leveraging PETRONAS' gas and carbon capture and storage (CCS) strengths alongside emerging green hydrogen opportunities.

Our Outlook

Short-term

We remain focused on maturing and securing hydrogen offtake pathways to strengthen project bankability and support progression towards Final Investment Decision. Our near-term efforts will continue to centre on advancing offtake engagements and completing Front End Engineering Design (FEED) studies for green hydrogen and ammonia projects. We will also leverage strategic partnerships and relevant policy mechanisms to support investment de-risking and execution readiness.

Medium- to Long-term

As infrastructure and regulatory frameworks continue to evolve, we aim to enable accelerated project execution and support the transition from development to scalable deployment.

Green Mobility

Expanding a Regional Electric Vehicle Charging Network

Gentari continued to scale its green mobility platform by expanding its regional electric vehicle (EV) charging network to more than 1,100 charging points across Malaysia, Thailand and India. Deployment focused on selected highways, urban centres and high-utilisation commercial locations, improving charging availability in priority areas and supporting the broader electrification of mobility across markets.

Charging deployment during the year was progressed through partnerships with site owners, fleet operators and mobility stakeholders. These collaborations supported a disciplined approach to network expansion, with emphasis on operational reliability, interoperability and readiness to meet increasing EV demand as adoption evolves.



Enabling Cross-Border Electric Vehicle Roaming through Gentari Go™

Seamless cross-border charging access is an important enabler for EV adoption and regional connectivity. Through Gentari Go™, we enabled cross-border EV roaming across Malaysia, Thailand, Singapore and India, providing users with access to approximately 10,000 charging points via roaming partnerships with multiple charge point operators.

By integrating participating charging networks into a single digital interface, Gentari Go™ improves interoperability across operators and markets, and enhances user experience for EV drivers travelling across borders. The platform complements physical charging infrastructure by simplifying access, supporting cleaner mobility adoption and the practical use of EVs across selected regional markets.

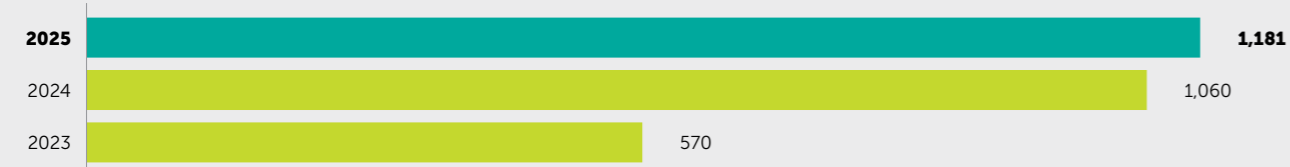


New Business
Capturing New Growth Opportunities

2025 Performance Metrics

Green Mobility

(units of charging points globally*)



Note:
* Gentari's growing global network of charging points is now available in Malaysia, Thailand and India.

Our Challenges and Opportunities

Market Context

Diverging EV adoption trends, evolving charging technologies and changing customer expectations created opportunities to focus deployment where utilisation, customer experience and interoperability deliver the most value.

Strategic Response

- Prioritised Direct Current (DC) fast-charging deployment in selected Southeast Asian markets, particularly Malaysia and Thailand.
- Enhanced regional interoperability and user experience through Gentari Go™.
- Developed value-added digital services to improve utilisation and revenue per charging point.

Impact

- Strengthened utilisation rates and improved customer retention.
- Diversified revenue streams across the charging network.
- Positioned Gentari's green mobility portfolio for sustainable growth as EV adoption matures across the region.

Our Outlook

Short-term

We continue to adopt disciplined deployment strategies and improve utilisation across selected Southeast Asian markets, with emphasis on expanding DC fast-charging infrastructure and strengthening value-added services through Gentari Go™ to improve revenue. Amid uneven EV adoption, pricing pressures and evolving incentive structures, efforts remain centred on strengthening operational efficiency and ensuring charging infrastructure keeps pace with higher-voltage and fast-charging vehicle requirements.

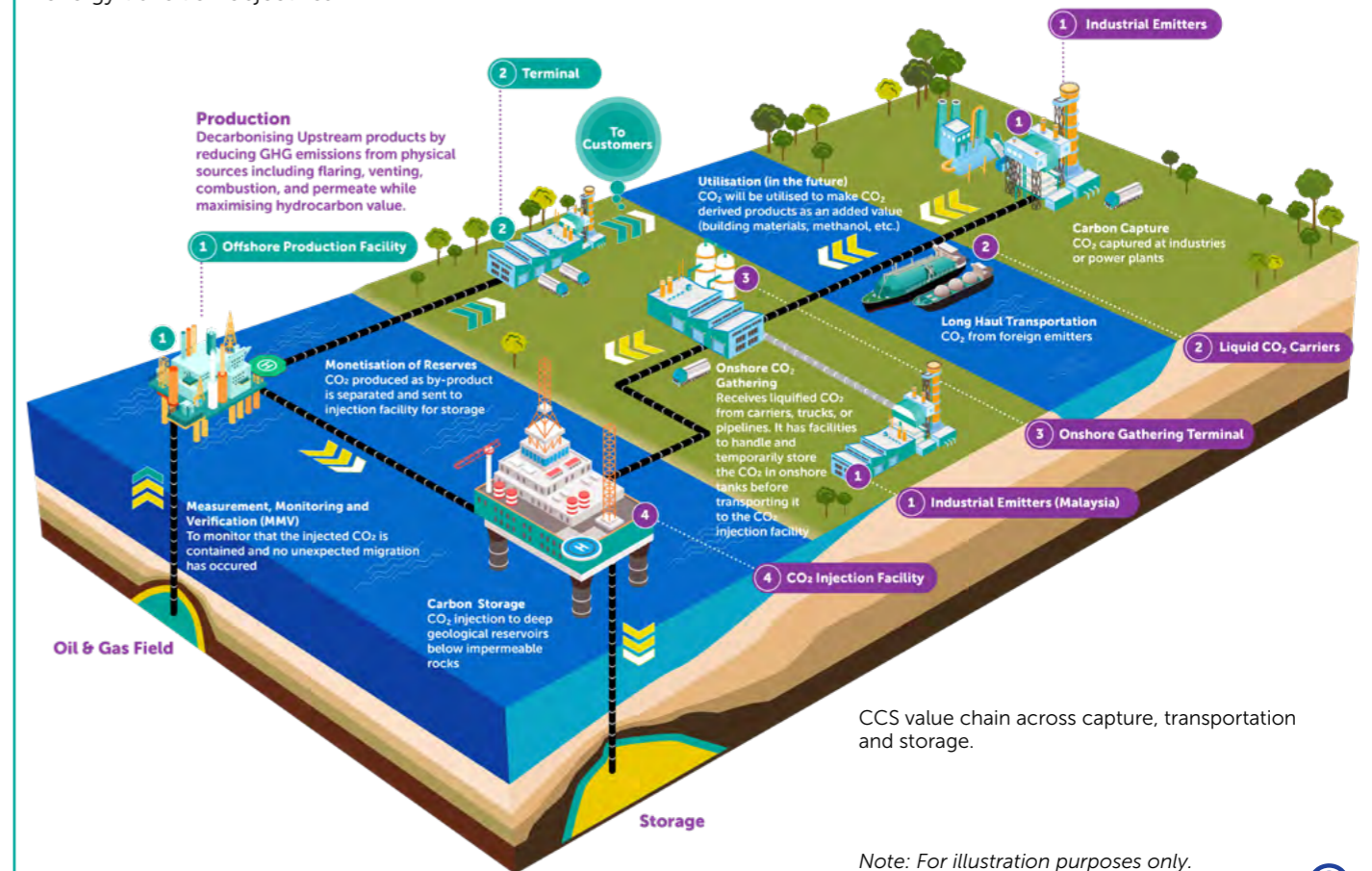
Medium- to Long-term

Focus remains on future-proofing the charging business through progressive technology upgrades and enhancements to business models across the EV ecosystem. This includes expanding fast-charging networks in markets with stronger demand, and strengthening digital and value-added service offerings to support customer experience, operational resilience and long-term revenue growth.

Carbon Capture and Storage

Malaysia's First Offshore Carbon Capture and Storage Permit Advances Duyong Storage Assessment

PETRONAS CCS Ventures (PCCSV) secured Malaysia's first offshore assessment permit for carbon capture and storage (CCS) under the newly enacted Carbon Capture, Utilization and Storage (CCUS) Act 2025, granted by the Malaysia Carbon Capture, Utilisation and Storage (MyCCUS) Agency. The permit gives PCCSV exclusive rights to conduct comprehensive offshore geological assessments in the Duyong storage site off Peninsular Malaysia for detailed studies to evaluate the site's potential as a permanent carbon dioxide (CO₂) storage location as part of the planned Southern CCS Hub. This initiative contributes to Malaysia's carbon management ecosystem and supports PETRONAS' role in enabling national and regional energy transition objectives.



Point of Interest

The first Offshore Assessment Permit issued under the Carbon Capture, Utilization and Storage (CCUS) Act 2025 enables PETRONAS and our partners to systematically assess offshore geologic storage options, enhancing capabilities for long-term CO₂ storage in Asia Pacific while deepening understanding of CCS value chain coordination and commercial viability.

Key Milestones in Driving Southern CCS Hub Readiness for Regional Decarbonisation

PCCSV entered into a Key Principles Agreement (KPA) with TotalEnergies and Mitsui & Co. to enable coordinated technical studies and Front-End Engineering Design (FEED) for the Duyong offshore carbon storage site. The agreement brings together complementary technical, project development and carbon management expertise to firm up detailed evaluation of Duyong's suitability as a permanent carbon dioxide storage location. It supports progression to the next development phase for the Southern CCS Hub, strengthening its readiness to deliver integrated carbon storage solutions for regional industries.

New Business
Capturing New Growth Opportunities

Scaling Carbon Capture and Storage from Proof to Commercial Deployment

Our CCS initiatives progressed from capture technology readiness toward integrated, deployable and commercially relevant solutions. Collectively, these developments advance CCS from assessment and technical readiness toward structured development, positioning it as a future scalable infrastructure platform capable of supporting industrial decarbonisation while creating monetisation pathways aligned with regional carbon management demand.

Leading Malaysia's National Carbon Capture (NCC) Project

- Collaborated with key industry and technical partners to conduct a feasibility study.
- The National Carbon Capture (NCC) Project serves as a testbed to evaluate the technical feasibility and economic viability of carbon capture in the steel sector, supporting Malaysia's decarbonisation pathways under the New Industrial Master Plan 2030 (NIMP 2030).
- The project aims to establish an industrial reference case targeting approximately 200 tonnes of carbon dioxide capture per day from steelmaking operations. It establishes reference deployments for Membrane Box Contactor in Malaysia, building confidence for customers, partners, and future investments globally.
- The project contributes to advancing carbon capture, utilisation and storage (CCUS) solutions for hard-to-abate industries in Malaysia.

Advancing Integrated Carbon Capture Solutions with Gas Turbine Original Equipment Manufacturer (OEM)

- Technical discussions are ongoing with gas turbine OEMs to explore integrated concept designs combining carbon capture with power generation systems for offshore and onshore applications, including Floating Production, Storage and Offloading (FPSO) facilities, cogeneration, and retrofit configurations.
- The collaboration focuses on assessing how modular carbon capture solutions can be integrated into power generation systems to enable emissions reduction across hard-to-abate sectors, including broader industrial power applications.

Strengthened an Integrated CCUS Value Chain Article

- Linked CCUS capabilities across internal divisions and external partners to deliver end-to-end CCUS solutions for industrial customers.
- This integrated approach enhances monetisation potential, reduces execution complexity and differentiates PETRONAS as a single-solution provider for decarbonisation needs.

Secured First Revenue-Generating CCS Engagement in North America

- Completed a paid engineering study for Tourmaline Oil together with PETRONAS Energy Canada covering a capture capacity of approximately 160 tonnes of carbon dioxide per day.
- This engagement validates technology applicability in an international operating environment and provides a platform for further commercial expansion.

Our Challenges and Opportunities

Market Context

Malaysia's ambition to become a regional CCS hub, backed by the Carbon Capture, Utilization and Storage (CCUS) Act 2025 and progress in Liquefied Carbon Dioxide (LCO₂) shipping, presents a clear opportunity for PETRONAS to develop an integrated CCS value chain and grow its participation in emerging international carbon management markets, including Canada.

Strategic Response

- Conducted independent technical validation through Energex and established structured project governance.
- Maintained active engagement with relevant regulators and industry stakeholders to support regulatory approvals and funding pathways.
- Advanced CCS activities to align with emerging regulatory frameworks in Peninsular Malaysia while maintaining progress on national initiatives.
- Leveraged PETRONAS' convening role to build strategic collaborations and advance cross-border CCS value chains.

Impact

- Validated CCS technology readiness for pilot deployment.
- Strengthened regulatory readiness and project development pathways through sustained stakeholder engagement.
- Secured Malaysia's first CCUS Offshore Assessment Permit for the Duyong storage site, supporting future CCS projects and LCO₂ shipping opportunities.
- Advanced early international positioning through the Canadian engineering study.

Our Outlook

Short-term

Our focus remains on advancing CCS solutions towards Final Investment Decision readiness for the region's first-of-its-kind CCS project. These efforts support Malaysia's ambition to become a regional CCS hub while strengthening the foundations for a global CCS business portfolio.

Medium- to Long-term

We aim to strengthen PETRONAS' position as a leading CCS hub for Malaysia and the region while expanding a global CCS business portfolio through cross-border projects, strategic partnerships and integrated decarbonisation solutions.

New Business

Capturing New Growth Opportunities



At PETRONAS, advancing a lower-carbon future is integral to how we operate. Driven by our strong commitment in expanding innovation ecosystem, technology remains the primary catalyst in our journey to Net Zero Carbon Emissions by 2050.

Ir. Ts. Mohd Yusri Mohamed Yusof
Senior Vice President, Projects, Engineering and Technology

Research and Development Investment

Research and development (R&D) enables PETRONAS to address operational challenges, improve performance and prepare technologies for future deployment. R&D investments are allocated across Technology Readiness Levels to advance ideas from early research to commercial deployment across key technology clusters.

In 2025, the Group's R&D portfolio reflected a focused and strategic commitment to innovation that supports decarbonisation, unlocks climate-related opportunities, drives business growth and strengthens long-term competitiveness.

The largest allocation was to CCUS, highlighting its role as a key innovation pillar for emissions reduction, regulatory readiness and the development of new lower-carbon value streams.

Continued investment in Advanced Materials & Subsea Technology and Specialty Chemicals Technology further advance technology-driven innovation, enhancing asset performance, improving operational efficiency and creating value across the energy value chain.

Overall, lower-carbon technologies account for around 60 per cent of the Group's total R&D portfolio, which includes CCUS, Fluid Technology Solutions, Hydrogen, Renewable Energy and Renewable Oil. This portfolio positions PETRONAS to capture emerging climate-related opportunities while supporting a resilient and sustainable energy future.

Net Zero Carbon Emissions

Pathway to Net Zero

Focus Areas

The delivery of PETRONAS' Net Zero Carbon Emissions (NZCE) by 2050 Pathway reflects varying national circumstances, including differences in economic development, energy security priorities, infrastructure readiness and social considerations. Progress will depend on a balanced and pragmatic approach, aligned with evolving technical, regulatory and economic conditions.

To advance towards our NZCE by 2050 commitment, we focus on reducing emissions across operations through a combination of improving energy efficiency, minimising flaring and venting, and electrifying assets where viable. Going forward, we intend to complement these efforts with carbon capture and storage (CCS) solutions, as well as investments in nature-based and technology-driven approaches to address residual emissions.



We treat sustainability as a core enabler of business execution, guiding how we balance near-term energy demands with disciplined progress on climate, nature and just transition priorities. Guided by our Sustainability Approach, we embed sustainability considerations into investment appraisal, capital allocation, portfolio planning and risk review. This approach allows us to better anticipate long-term risks and opportunities and to make decisions that enhance resilience for the future.

Charlotte Wolff-Bye
Vice President and Group Chief Sustainability Officer

Zero Routine Flaring and Venting

Flaring and venting reduction is driven through targeted operational improvements across upstream assets. Flare gas recovery systems capture and reuse gas that would otherwise be lost, while increased compressor capacity improves gas handling and reduces the need for flaring. Conversion of vented gas into flared and recoverable streams further limits methane emissions. These measures collectively reduce carbon and methane emissions from upstream operations.

Energy Efficiency

Energy efficiency improvements strengthen operational performance across our assets. Initiatives include optimising plant operations, applying digital solutions and enhancing process and equipment efficiency, including heat recovery and performance optimisation, enabling greater output with lower energy consumption.

Electrification

Electrification reduces emissions from on-site combustion by replacing fossil fuel-based energy with lower-carbon electricity where feasible. This involves asset modifications, supporting infrastructure development and the integration of renewable energy sources to power operational activities.

Carbon Capture and Storage

CCS solutions address emissions that cannot be eliminated through operational improvements alone. Carbon dioxide from selected high-emission assets is captured and stored securely in geological formations, supported by subsurface expertise, existing infrastructure and partnerships across the CCS value chain.

[For a detailed breakdown of our Net Zero Carbon Emissions by 2050 Pathway and progress, refer to pages 97 to 113.](#)

Net Zero Carbon Emissions

Pathway to Net Zero

Zero Routine Flaring and Venting

Lowering Flare Emissions through Acid Gas Removal Unit Optimisation

PETRONAS implemented an Acid Gas Removal Unit (AGRU) optimisation initiative across selected Upstream fields in Peninsular Malaysia to reduce flaring by optimising existing operating conditions, increasing carbon dioxide (CO₂) export, minimising hydrocarbon losses to permeate flaring while maintaining gas quality and supply reliability. Operational trials confirmed that normal AGRU operations, even during high-CO₂ conditions, delivered optimal emissions and production outcomes. The initiative achieved an estimated annual emissions reduction of approximately 0.16 million tonnes of carbon dioxide equivalent (MtCO₂e), alongside lower hydrocarbon losses and incremental gas sales, demonstrating the value of targeted optimisation of existing assets in supporting PETRONAS' NZCE by 2050 commitment.

Electrification

Electrifying Operations to Lower Direct Emissions

PETRONAS Dagangan Berhad (PDB) strengthened its decarbonisation efforts through the continued rollout of solar power across its retail network. During the year, 121 PETRONAS stations were newly solarised, bringing the cumulative total to 303 sites nationwide. This represents a strong uplift in new installations compared to the previous year, underpinned by improved planning and increased execution momentum.

Looking ahead, PDB remains on track to further scale solar adoption, with a target of more than 450 solarised stations by 2030. This initiative supports the reduction of operational emissions while advancing the transition towards cleaner, more energy-efficient retail operations across the network.

Energy Efficiency

Strengthening Energy Efficiency Across Assets

Structured Energy Trending and Performance Assessment for Combustion Engine (SETPACE), an in-house digital tool developed by the Upstream business, enables a structured and data-driven approach to reducing combustion-related emissions. SETPACE was initially piloted by PETRONAS Carigali across three sites in 2022 and subsequently replicated both domestically and internationally following strong results. By 2023, it was integrated into fuel gas forecasting processes across all PETRONAS Carigali-operated sites, resulting in an estimated reduction of approximately 1.21 MtCO₂e in greenhouse gas emissions in 2024.

Additionally, SETPACE achieved a 9 per cent reduction in energy intensity across 38 PETRONAS Carigali-operated facilities from a 2021 baseline, delivering energy savings of approximately 1,680,000 gigajoules (GJ) through identified reduction opportunities. This is equivalent to powering approximately 178,000 Malaysian households for one year, based on an average annual electricity consumption of about 2,620 kilowatt-hours (kWh) per household. These efforts were further expanded, enabling replication of the solution across three additional non-operated fields.

For further information on PETRONAS' efforts to achieve NZCE by 2050 targets, please refer to *Delivering Net Zero, Metrics and Targets* on page 102.


2025 Performance Metrics

We track emissions performance across operational control and equity share boundaries to support delivery of PETRONAS' NZCE by 2050 Pathway targets. This enables consistent oversight of our long-term climate actions and informs portfolio and capital allocation decisions, ensuring continued alignment with our Energy Transition Strategy and net zero commitment.

Progress is driven through four priority abatement levers that focus on reducing operational emissions while enhancing portfolio resilience. These levers emphasise practical and scalable actions across our assets to lower greenhouse gas emissions and support steady advancement towards NZCE by 2050.

		OC	ES	Achieved	2025 Performance	
Short-term Targets (2024-2025)						
GHG emissions from Malaysia operations	49.50 million tonnes CO ₂ e cap for Malaysia operations	OC		Achieved	47.46 million tonnes CO ₂ e	
Methane emissions – PETRONAS Group-wide natural gas value chain	50 per cent reduction by 2025 against 2019 baseline	OC		Achieved	80 per cent reduction (target exceeded)	
Medium-term Targets (2030)						
GHG emissions from PETRONAS Group-wide	25 per cent reduction by 2030 against 2019 baseline		ES		4 per cent	
Methane emissions – Malaysia's natural gas value chain	50 per cent reduction by 2030 against 2019 baseline	OC		Achieved	80 per cent reduction (target exceeded)	
Methane emissions – PETRONAS Group-wide natural gas value chain	70 per cent reduction by 2030 against 2019 baseline	OC		Achieved	80 per cent reduction (target exceeded)	
Long-term Target (2050)						
Net zero carbon emissions by 2050			ES			

The short-term target of capping GHG emissions at 49.5 million tonnes CO₂e by 2024 excludes Maritime, Corporate and Others, as more than 90 per cent of GHG emissions are contributed by activities within Upstream, Gas and Downstream Malaysia operations.

2024 and 2025	2030	2050
Short-term Targets - Achieved In the short term, we focused on stabilising emissions from our existing portfolio, especially in Malaysia, and establishing a credible starting point for our NZCE by 2050 Pathway. Having met these milestones, we now focus on deepening abatement efforts in the medium-term and aligning long-lived assets with outcomes to meet our NZCE by 2050 target.	Medium-term Targets - Progressing In the medium term, we will focus on delivering sustained reductions in line with our 2030 GHG targets. This includes improving emissions performance across PETRONAS Group-wide operations, advancing methane emissions reduction across the natural gas value chain and aligning asset and operational decisions with measurable decarbonisation outcomes.	Long-term Target  Looking towards 2050, our NZCE target guides portfolio shaping, asset management and capital decisions to ensure PETRONAS remains resilient and relevant in a lower-carbon energy system while continuing to deliver reliable and affordable energy.

Advancing Sustainable Value Across Our Operations

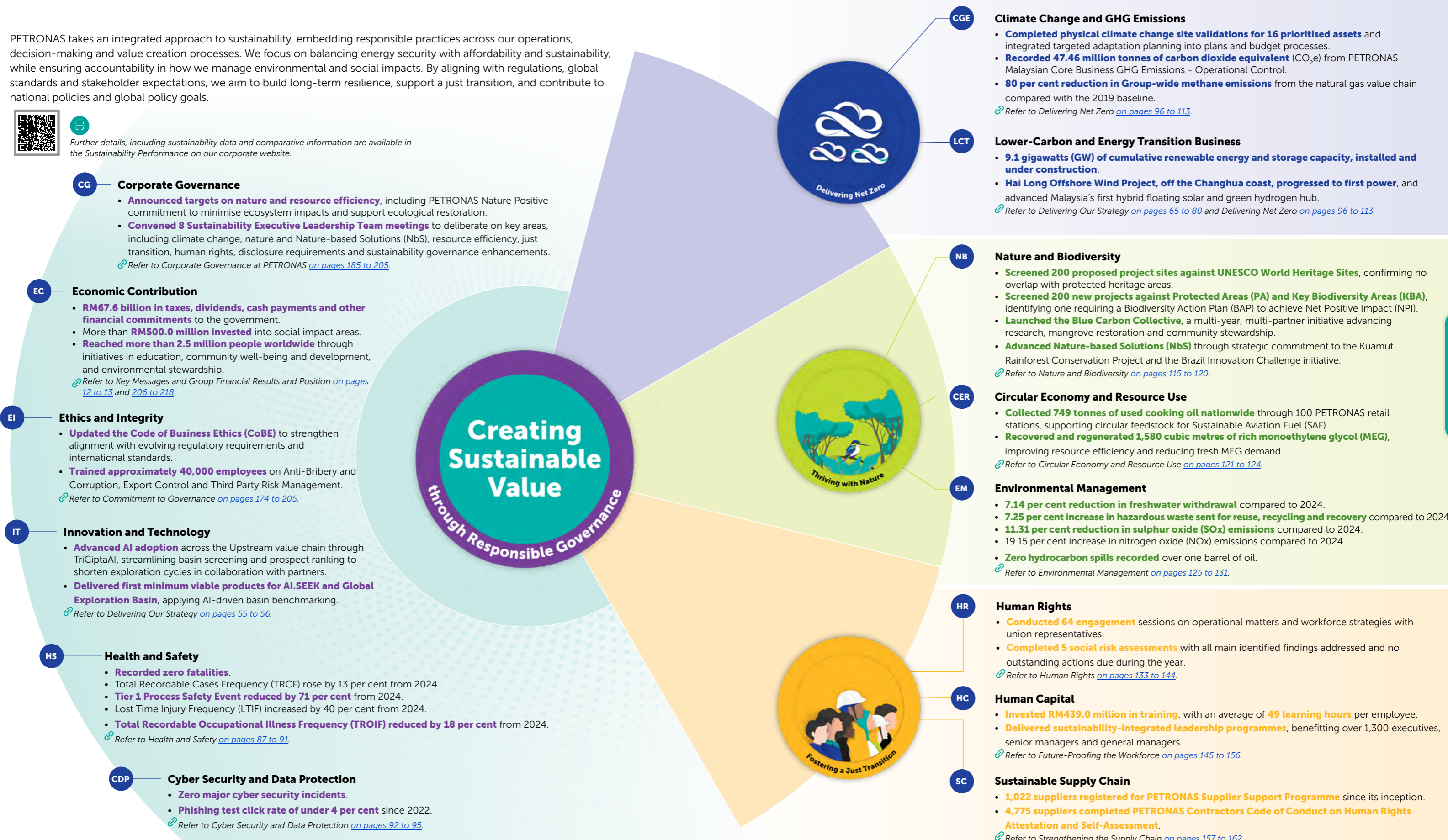
In addition to our NZCE by 2050 efforts, we address a broader set of sustainability material topics that shape our long-term resilience and value creation. The Sustainability Performance section of this report presents key highlights of each material topic detailing our approach, key challenges, opportunities, mitigation actions and outlook.

Sustainability Performance

PETRONAS takes an integrated approach to sustainability, embedding responsible practices across our operations, decision-making and value creation processes. We focus on balancing energy security with affordability and sustainability, while ensuring accountability in how we manage environmental and social impacts. By aligning with regulations, global standards and stakeholder expectations, we aim to build long-term resilience, support a just transition, and contribute to national policies and global policy goals.



Further details, including sustainability data and comparative information are available in the Sustainability Performance on our corporate website.



CG Corporate Governance

- Announced targets on nature and resource efficiency, including PETRONAS Nature Positive commitment to minimise ecosystem impacts and support ecological restoration.
- Convened 8 Sustainability Executive Leadership Team meetings to deliberate on key areas, including climate change, nature and Nature-based Solutions (NbS), resource efficiency, just transition, human rights, disclosure requirements and sustainability governance enhancements.

Refer to Corporate Governance at PETRONAS on pages 185 to 205.

EC Economic Contribution

- RM67.6 billion in taxes, dividends, cash payments and other financial commitments to the government.
- More than RM500.0 million invested into social impact areas.
- Reached more than 2.5 million people worldwide through initiatives in education, community well-being and development, and environmental stewardship.

Refer to Key Messages and Group Financial Results and Position on pages 12 to 13 and 206 to 218.

EI Ethics and Integrity

- Updated the Code of Business Ethics (CoBE) to strengthen alignment with evolving regulatory requirements and international standards.
- Trained approximately 40,000 employees on Anti-Bribery and Corruption, Export Control and Third Party Risk Management.

Refer to Commitment to Governance on pages 174 to 205.

IT Innovation and Technology

- Advanced AI adoption across the Upstream value chain through TriCiptaAI, streamlining basin screening and prospect ranking to shorten exploration cycles in collaboration with partners.
- Delivered first minimum viable products for AI.SEEK and Global Exploration Basin, applying AI-driven basin benchmarking.

Refer to Delivering Our Strategy on pages 55 to 56.

HS Health and Safety

- Recorded zero fatalities.
- Total Recordable Cases Frequency (TRCF) rose by 13 per cent from 2024.
- Tier 1 Process Safety Event reduced by 71 per cent from 2024.
- Lost Time Injury Frequency (LTIF) increased by 40 per cent from 2024.
- Total Recordable Occupational Illness Frequency (TROIF) reduced by 18 per cent from 2024.

Refer to Health and Safety on pages 87 to 91.

CDP Cyber Security and Data Protection

- Zero major cyber security incidents.
- Phishing test click rate of under 4 per cent since 2022.

Refer to Cyber Security and Data Protection on pages 92 to 95.

CGE Climate Change and GHG Emissions

- Completed physical climate change site validations for 16 prioritised assets and integrated targeted adaptation planning into plans and budget processes.
- Recorded 47.46 million tonnes of carbon dioxide equivalent (CO₂e) from PETRONAS Malaysian Core Business GHG Emissions - Operational Control.
- 80 per cent reduction in Group-wide methane emissions from the natural gas value chain compared with the 2019 baseline.

Refer to Delivering Net Zero on pages 96 to 113.

LCT Lower-Carbon and Energy Transition Business

- 9.1 gigawatts (GW) of cumulative renewable energy and storage capacity, installed and under construction.
- Hai Long Offshore Wind Project, off the Changhua coast, progressed to first power, and advanced Malaysia's first hybrid floating solar and green hydrogen hub.

Refer to Delivering Our Strategy on pages 65 to 80 and Delivering Net Zero on pages 96 to 113.

NB Nature and Biodiversity

- Screened 200 proposed project sites against UNESCO World Heritage Sites, confirming no overlap with protected heritage areas.
- Screened 200 new projects against Protected Areas (PA) and Key Biodiversity Areas (KBA), identifying one requiring a Biodiversity Action Plan (BAP) to achieve Net Positive Impact (NPI).
- Launched the Blue Carbon Collective, a multi-year, multi-partner initiative advancing research, mangrove restoration and community stewardship.
- Advanced Nature-based Solutions (NbS) through strategic commitment to the Kuamut Rainforest Conservation Project and the Brazil Innovation Challenge initiative.

Refer to Nature and Biodiversity on pages 115 to 120.

CER Circular Economy and Resource Use

- Collected 749 tonnes of used cooking oil nationwide through 100 PETRONAS retail stations, supporting circular feedstock for Sustainable Aviation Fuel (SAF).
- Recovered and regenerated 1,580 cubic metres of rich monoethylene glycol (MEG), improving resource efficiency and reducing fresh MEG demand.

Refer to Circular Economy and Resource Use on pages 121 to 124.

EM Environmental Management

- 7.14 per cent reduction in freshwater withdrawal compared to 2024.
- 7.25 per cent increase in hazardous waste sent for reuse, recycling and recovery compared to 2024.
- 11.31 per cent reduction in sulphur oxide (SOx) emissions compared to 2024.
- 19.15 per cent increase in nitrogen oxide (NOx) emissions compared to 2024.
- Zero hydrocarbon spills recorded over one barrel of oil.

Refer to Environmental Management on pages 125 to 131.

HR Human Rights

- Conducted 64 engagement sessions on operational matters and workforce strategies with union representatives.
- Completed 5 social risk assessments with all main identified findings addressed and no outstanding actions due during the year.

Refer to Human Rights on pages 133 to 144.

HC Human Capital

- Invested RM439.0 million in training, with an average of 49 learning hours per employee.
- Delivered sustainability-integrated leadership programmes, benefitting over 1,300 executives, senior managers and general managers.

Refer to Future-Proofing the Workforce on pages 145 to 156.

SC Sustainable Supply Chain

- 1,022 suppliers registered for PETRONAS Supplier Support Programme since its inception.
- 4,775 suppliers completed PETRONAS Contractors Code of Conduct on Human Rights Attestation and Self-Assessment.

Refer to Strengthening the Supply Chain on pages 157 to 162.



Creating Sustainable Value through Responsible Governance

Guided by strong governance and a steadfast commitment to health and safety, we continue to cultivate a safe and resilient organisation.



Our commitment to responsible governance guides how we protect our people, secure our operations and build trust with stakeholders, grounded in strong ethics, integrity and accountability.

Our Material Topics

Health and Safety	87
Cyber Security and Data Protection	92

Governance as a Foundation for Sustainable Performance

Responsible governance shapes how we create sustainable value, with our decisions grounded in accountability, transparency and ethical conduct. It strengthens oversight, reinforces trust and supports disciplined management of risks and opportunities, enabling consistent performance as expectations from regulators, investors and society continue to rise.

[Refer to Commitment to Governance on pages 174 to 205.](#)

This approach also informs how we generate and share value beyond financial performance, through contributions to national development and community investments. Strong governance supports resilience across our operations, ensuring safety, reliability and business continuity, while strengthening cyber resilience and protecting data in an increasingly connected environment. Innovation and technology further enhance this foundation, improving operational capabilities, efficiency and decision-making across the business.

[Refer to Key Messages on pages 12 to 15, Heal, Health and Safety on pages 87 to 91, Cyber Security and Data Protection on pages 92 to 95, and Delivering Our Strategy on pages 52 to 83.](#)

HS Health and Safety

Why This Matters

We operate in the energy industry, where complex projects and geographically dispersed assets create inherent exposure to operational hazards. In this operating environment, health and safety performance depend on consistent decisions across many teams and contractors to support disciplined operational control, technical integrity and real-time risk management. In these conditions, protecting people comes first. Health and Safety performance shapes how safely work is carried out and how effectively risks are managed.

Maintaining safe performance relies on personal accountability at all levels, which makes it challenging to sustain consistent discipline across a diverse workforce and contractor base as operations grow in complexity. Physical health, mental well-being and psychosocial factors influence alertness and teamwork in high-risk settings. This makes occupational health management even more essential to ensure a workforce that is fit to work. Strong performance in these areas supports our business continuity and regulatory compliance.

Our Focus

We focus on preventing safety incidents, workplace injuries, illnesses and health-related exposure risks through effective Health, Safety and Environment (HSE) management, supported by continuous monitoring, reviews and improvements using the Plan-Do-Check approach.

- Preventing Safety Incidents
- Preventing Illnesses and Health-Related Exposure
- Reducing Workplace Injuries

Creating Sustainable Value through Responsible Governance

Our Approach

We manage health and safety through our Safety Management Approach, which is based on Compliance, Culture and Competency. These guide how we manage risk, strengthen accountability and improve safety performance across all operations.

Compliance	Culture	Competency
Drive operating discipline and apply self-regulation to manage risks and meet safety requirements.	Build a Generative HSE Culture and reinforce personal accountability across the organisation.	Strengthen human and asset capabilities to improve HSE performance.

The PETRONAS HSE Policy sets clear expectations to safeguard health, safety and the environment. Our Health, Safety and Environment Management System (HSEMS), aligned with the International Organization for Standardization's (ISO) 14001:2015 and 45001:2018, translates these expectations into consistent operational controls, defined accountabilities and performance monitoring.

We embed HSE considerations into governance, risk management and operational decision-making through disciplined execution and continuous improvement. Regular leadership reporting enables timely intervention, learning and corrective actions where gaps are identified.

Our Progress

We strengthened the foundations of health and safety management by reinforcing personal accountability, operating discipline, improving risk visibility, and deepening leadership and workforce engagement.

Efforts concentrated on areas where risks remain most significant, supported by stronger governance, assurance and digital enablement. Continued emphasis on culture and capability supported more consistent application of safe systems of work and earlier intervention where risks were identified.

In 2025, safety indicators showed improvement in process safety and occupational health outcomes, while injury-related metrics indicate the need for continued focus on workforce discipline, hazard awareness and preventive controls.

2025 Key Highlights

<p>Fatalities</p> <p>ZERO</p>	<p>Total Recordable Cases Frequency (TRCF)</p> <p>2025 0.34 ▲</p> <p>(2024: 0.30) number per million hours worked</p>	<p>Tier 1 Process Safety Event</p> <p>2025 2 ▼</p> <p>(2024: 7) number of cases</p>	<p>Lost Time Injury Frequency (LTIF)</p> <p>2025 0.14 ▲</p> <p>(2024: 0.10) number per million hours worked</p>	<p>Total Recordable Occupational Illness Frequency (TROIF) – Employees</p> <p>2025 0.18 ▼</p> <p>(2024: 0.22) number per million hours worked</p>
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In April 2025, PETRONAS responded to a fire incident involving PETRONAS Gas Berhad's (PGB) Peninsular Gas Utilisation (PGU) pipeline near Putra Heights, Subang Jaya, Malaysia. Investigations by the Department of Occupational Safety and Health (DOSH) and other government authorities identified the cause to be anthropogenic activities in the areas surrounding the pipeline's Right-of-Way (ROW). This emerging risk highlights the importance of continuous enhancements to our risk assessments, regulatory collaborations and monitoring of third-party activities surrounding the pipeline corridor to mitigate the risk of recurrence.

The incident tested enterprise-wide crisis leadership, with actions focused on safeguarding the public and maintaining supply continuity across the national gas network.

Compliance

We reinforce safety compliance across our operations by ensuring adherence to applicable national and international requirements. For the year under review, we placed greater emphasis on operating discipline, governance and corrective actions to address identified gaps and reduce risk exposure across the organisation.

Safety Management

In 2025, we focused on tightening operational risk control through disciplined execution of Safe Systems of Work, improving site supervision, contractor HSE alignment and digital-enabled assurance. We further improved compliance by enhancing the competency of our people in local regulations and international standards. This was supported through collaborations with key stakeholders, including regulatory authorities.

During the year, zero fatalities were recorded, while Total Recordable Case Frequency increased by 13 per cent and Lost Time Injury Frequency increased by 40 per cent. For land transport performance, employees and contractors travelled 44.7 million kilometres, with zero fatal or serious vehicle accidents recorded. For all reported incidents, thorough investigations were conducted with relevant subject matter experts to determine root causes and lessons learnt were shared Group-wide to prevent recurrence.

Process Safety

Process Safety Management efforts advanced during the year through enhanced asset integrity practices, expanded risk management exposure for new businesses, and stronger process safety ownership and capability, supported by deeper leadership engagement and closer regional collaboration with partners from the Centre for Chemical Process Safety. Key initiatives included improving consistency in flange integrity management to maintain the technical integrity of bolted flange joints and piping systems, thereby minimising Process Safety Events (PSE) across all operating plants. Additional focus was placed on ageing asset management.

Through these targeted interventions, we achieved a 71 per cent reduction in Tier 1 PSE, with zero fatalities recorded during the year. In addition, our initiative to optimise safety critical equipment identification, maintenance planning and resource management received external recognition through the IChemE Malaysia Process Safety Award 2025.

Self-Regulation

Readiness for Special Scheme of Inspection certification remained central to advancing self-regulation across PETRONAS-owned assets and supporting regulatory compliance. Through these efforts, seven occupiers successfully achieved the Special Scheme of Inspection certification in 2025, maximising plant run length across our integrated value chain.

Leveraging Digitalisation and Generative Artificial Intelligence in Managing Health, Safety and Environment Risk

We continued to expand our Group-wide HSE risk management capabilities through the progressive implementation of digital and advanced analytics solutions. In 2025, our integrated risk analytics platform, Artificial Intelligence Incident & Risk Analytics (AIIRA), was enhanced with generative AI and machine learning models to deliver more accurate predictive risk modelling and actionable recommendations in mitigating operational risks. These capabilities provide near real-time risk visibility, support enterprise-wide adoption and embed risk intelligence into frontline-to-management usage, enabling earlier risk identification, improved forecasting confidence and timely intervention across our operations. The maturity and impact of AIIRA were externally recognised when the platform was named Country Winner for Malaysia in the Best in AI Ready Platform category at the International Data Corporation (IDC) Future Enterprise Awards 2025.

Creating Sustainable Value through Responsible Governance

Culture

Since 2017, we have adopted a Generative HSE Culture, embedding HSE into the organisation’s mindset to shape behaviours and decision-making at all levels. Rooted in the principle of care and guided by the mantra of ‘Doing the right things right, even when no one is watching,’ leaders at every level are entrusted to model and reinforce this culture through daily actions and moments of influence. Supported by targeted engagement programmes and training, more than 7,500 leaders and frontliners have been equipped to champion consistent HSE messaging and uphold safe, responsible and ethical practices as shared organisational values.

Our HSE Accountability and Behaviour Reinforcement framework strengthens our Generative HSE Culture by promoting accountability and safe behaviours at all levels. The framework establishes principles for positive reinforcement, recognising and rewarding employees who comply with HSE requirements.

Our investigation teams review major incidents and non-compliance cases to identify underlying behavioural factors. Structured corrective measures are determined and implemented by each business’ HSE Accountability and Behaviour Reinforcement Committee. Through integration with our Generative HSE Culture Leadership Programme and various HSE campaigns, the framework continuously reinforces accountability and proactive safety behaviours across the organisation.

Protecting Our Workforce’s Health and Well-being

We remain steadfast in our commitment to protecting our workforce’s right to a safe and healthy working environment, driving resilience and productivity, and supporting sustainable business performance through strengthened Industrial Hygiene and Occupational Health initiatives.

In 2025, Industrial Hygiene focused on reducing occupational noise exposure risk through implementation of engineering controls, improving ventilation requirements and gas testing practices for work within confined spaces, and utilising digital systems with AI to strengthen management of hazardous chemicals. These efforts enabled consistent health risk assessments, improved data visibility and systematic monitoring of exposure-related risks across operations.

Occupational Health focused on supporting business continuity by strengthening and streamlining the capabilities of the integrated Medical Emergency Response and Mass Casualty Incident management across Malaysia operations, particularly in the Southern, Northern and East Coast regions that house multiple operating units. Enhanced interventions and mitigation measures were also implemented to ensure the workforce is physically and mentally resilient, remains fit to work, and is safeguarded against fatigue, substance misuse and occupational illness. Through our holistic occupational health and wellness programme, MESTIfit4health, we equip employees with a proactive approach that fosters healthy behaviours and empowers them to take ownership of their well-being to reduce the risk of occupational injuries and illnesses while enhancing overall workforce performance and resilience.

For the year under review, we recorded an 18 per cent reduction in Total Recordable Occupational Illness Frequency for employees.

Competency

We develop and enhance the competency of our workforce through training and development programmes to ensure our leaders and frontline personnel possess the skills and knowledge to uphold safety standards and drive operational excellence.

We also participate in a wide range of local and international forums, reflecting our commitment to fostering strong collaboration and sharing knowledge and technical expertise among industry experts.

Crisis and Incident Management

As a global operator in the oil and gas industry, PETRONAS recognises the various hazards and incidents that our line of business must contend with. To mitigate the disruptive nature of these events, the Group has established a strong management system that effectively addresses crisis and incident risks at every level.

We take proactive measures to prevent recurrence of incidents. We established the Organisational Learning from Incidents portal in 2024, a centralised resource that serves as a one-stop centre to improve accessibility and availability of materials from past lessons learnt and resources on incident management. In 2025, we benchmarked our internal incident governance practices to ensure alignment with industry peers.



Strengthening incident preparedness through on-site inspection.

Sustainability Impact

Our continued focus on health and safety advances responsible operations through strong governance, disciplined risk management and a clear focus on protecting our people. In 2025, we recorded zero fatalities, with improvements in process safety performance, reflecting the effectiveness of our controls and operational discipline across PETRONAS operations.

Operational resilience was further strengthened through enhanced safe work practices, stronger workforce competency, closer contractor alignment and digital-enabled assurance guided by our Generative HSE Culture. Improved risk visibility, stronger process safety ownership and holistic workforce health initiatives support earlier intervention and safer decision-making across the organisation, contributing to a healthier workforce and more reliable operations that sustain long-term business performance.

Creating Sustainable Value through Responsible Governance

CDP Cyber Security and Data Protection

Why This Matters

As a global energy company with extensive digital integration across our value chain, we operate within a rapidly evolving cyber threat landscape. Threat actors increasingly apply AI to scale phishing, social engineering and ransomware attacks across both information technology and operational technology environments. Deeper digitalisation, cloud adoption and reliance on interconnected suppliers, remote access and personal devices further expand the cyber risk perimeter. At the same time tightening regulatory expectations across jurisdictions, alongside geopolitical tensions, add complexity to oversight and compliance.

A significant cyber incident could disrupt operations, compromise sensitive or proprietary information and undermine stakeholder confidence, exposing the Group to regulatory, financial and reputational consequences. Robust cyber security and data protection are, therefore, essential to protect the confidentiality, integrity and availability of critical information assets and support operational resilience.

Our Focus

Our aim is to protect our critical systems, data and operations from cyber threats by strengthening resilience, control effectiveness and cyber awareness across the organisation. We monitor cyber security performance through a range of preventive, detective and responsive indicators covering system integrity, workforce awareness, third-party oversight and incident response effectiveness.

Our Approach

We manage cyber security and data protection through a risk-based, enterprise-wide approach anchored on our Enterprise Cyber Security Governance Framework. The framework drives robust risk management across information technology, operational technology and third-party environments, protecting the confidentiality, integrity and availability of physical and digital information assets.

Our approach integrates regulatory and compliance requirements, supports personal data protection and critical national infrastructure security, and aligns with the PETRONAS Enterprise Risk Management Framework and Risk Policy. By embedding cyber security and data protection into enterprise risk management, we reduce potential financial and reputational impacts while strengthening operational resilience.

Governance, Policy and Framework

The Board oversees cyber security and data protection through structured governance frameworks, regular reporting and assurance processes, with visibility over the effectiveness of controls across the Group. Oversight is supported by the Enterprise Cyber Security Governance Framework, which standardises controls across business units, information technology and operational technology environments and third-party suppliers, and is reinforced through a three-level Line-of-Assurance model.

Regulatory compliance and critical infrastructure risks form part of Board oversight, with structured reporting on compliance with applicable data protection such as Malaysia's Personal Data Protection Act (PDPA), cyber security laws, National Critical Information Infrastructure obligations and remediation actions. We also fulfil our role as one of three Energy Sector Leads under Malaysia's Cyber Security Act 2024, with the Board maintaining visibility over sector-level responsibilities, assurance activities and related cyber risk exposures.

Cyber security and data protection operate in an integrated manner. The Enterprise Cyber Security Governance Framework, together with the PETRONAS Digital Personal Data Protection Act (PDPA) 2024 Readiness Programme, establishes the personnel, processes and procedures required to protect our systems, assets, data and operations.

Enterprise Cyber Security Governance Framework

- Ensures right people, processes and controls protect systems, assets, data and operations.
- Establishes Control Framework and Control Standards.
- Aligns with the United States National Institute of Standards and Technology (NIST) Cybersecurity Framework.
- Applies five core functions: Identify, Protect, Detect, Respond and Recover.

Cyber Security Risk Management Guideline

- Aligns with PETRONAS Enterprise Risk Management Framework and integrates PETRONAS Risk Policy.
- Defines standardised approach to assess, respond to, and monitor cyber security risks.
- Supports accountability and informed decision-making.

Data Privacy Risk Management

- Integrates data privacy requirements into Cyber Security Control Standards and applies Data Protection Impact Assessments for systems processing personal data.

Compliance with Regulations

We ensure compliance with cyber security and data protection requirements across our operations, supported by strong governance and clear accountability structures, including alignment with the Malaysia Cyber Security Act 2024 (Act 854).

Role as National Critical Information Infrastructure Sector Lead (Energy)

- Designate National Critical Information Infrastructure (NCII) entities under sector leadership.
- Develop Cyber Security Code of Practice to guide implementation of Act 854 across PETRONAS-designated NCII entities.

Role as a National Critical Information Infrastructure entity

- Align existing cyber incident reporting processes with the Cyber Security Act 2024 requirements into operations, including coordination with the National Cyber Security Agency (NACSA).
- Submit PETRONAS' NCII Risk Assessment Report.

Data Protection and Privacy Controls

- Data governance controls aligned with PDPA principles embedded across key digital life cycle processes.
- Personal data managed across seven processes through privacy-by-design integration.

Measuring Assurance and Cyber Resilience

We apply the Integrated Assurance framework to provide Group-wide visibility of cyber security controls, compliance and resilience across information technology, operational technology and third-party environments.

Assurance and Measurement Approach

- Integrated Assurance framework monitors cyber security control implementation and compliance.
- Centralised assurance platform tracks Information Technology and Operational Technology functional checklists across businesses.
- Ongoing reporting provides visibility of control effectiveness and gaps.

Measuring Cyber Resilience

- Cyber security resilience assessed through control compliance monitoring, cyber exercises and simulations.
- Risk-based metrics informed by World Economic Forum guidance and industry benchmarks.
- Key indicators include phishing resilience, vulnerability management and incident response effectiveness.
- Metrics integrated into enterprise-level reporting to support Board and management oversight.

Creating Sustainable Value through Responsible Governance

Our Progress

Our expanding digital footprint across information technology and operational technology environments increases exposure to more sophisticated cyber threats across the enterprise and the wider value chain. In response, cyber security and data protection were strengthened through the application of the PETRONAS Enterprise Cyber Security Governance Framework, reducing vulnerabilities across critical systems, enhancing monitoring and response capabilities, and improving protection of data and intellectual property as digitalisation deepens.

Efforts during the year also focused on people as a key line of defence. Workforce behaviour was treated as an operational risk factor rather than a training topic. Employee awareness and capability building were prioritised to address human-layer risks, recognising that phishing and social engineering remain common attack vectors, with targeted programmes supporting behavioural change and a cyber-safe culture across the workforce. As a result, no major cyber security incidents were recorded in 2025, while the phishing click rate remained below 4 per cent, demonstrating overall cyber resilience in a dynamic threat environment.

2025 Key Highlights

Major cyber security incidents

ZERO

Phishing click rate under

4%



Strengthening cyber resilience through real-time monitoring.

Strengthening Cyber Resilience

Cyber security controls were enhanced across applications, devices and internet-facing systems, including tighter controls on employee-owned devices covering access rights, downloads, encryption and device usage to reduce exposure and strengthen data protection.

Cyber security performance improved through stronger monitoring and response capabilities. Existing tools, processes and capabilities were optimised, while the cyber security portfolio was streamlined to improve operational efficiency, support continuous monitoring and manage increasing threat volumes.

Board and leadership awareness was raised through the PETRONAS Board Excellence Programme, including live demonstrations on current threats, interactive discussions and a cyber security tabletop exercise to highlight the Board's strategic role and establish a practical understanding of their responsibilities across the organisation's digital and technology agenda.

Enhancing Data Governance

Data governance controls were embedded across nine critical digital life cycle processes. These controls align with PDPA principles, with privacy-by-design integrated into digital workflows.

Personal data governance was strengthened through updates to Data Governance documentation, which incorporate requirements under the PDPA 2024 amendments. This included classifying biometric data as sensitive personal data in line with updated regulatory definitions and protection requirements, and incorporating updated regulatory terminology and new data subject rights, including data portability, to align with evolving regulatory expectations. These enhancements strengthened alignment with regulatory requirements, and improved clarity and consistency in the classification and handling of sensitive personal data. They also increased organisational readiness to manage personal data responsibly and comply with expanded data subject rights, reducing regulatory and compliance risk.

Data Privacy Risk Management

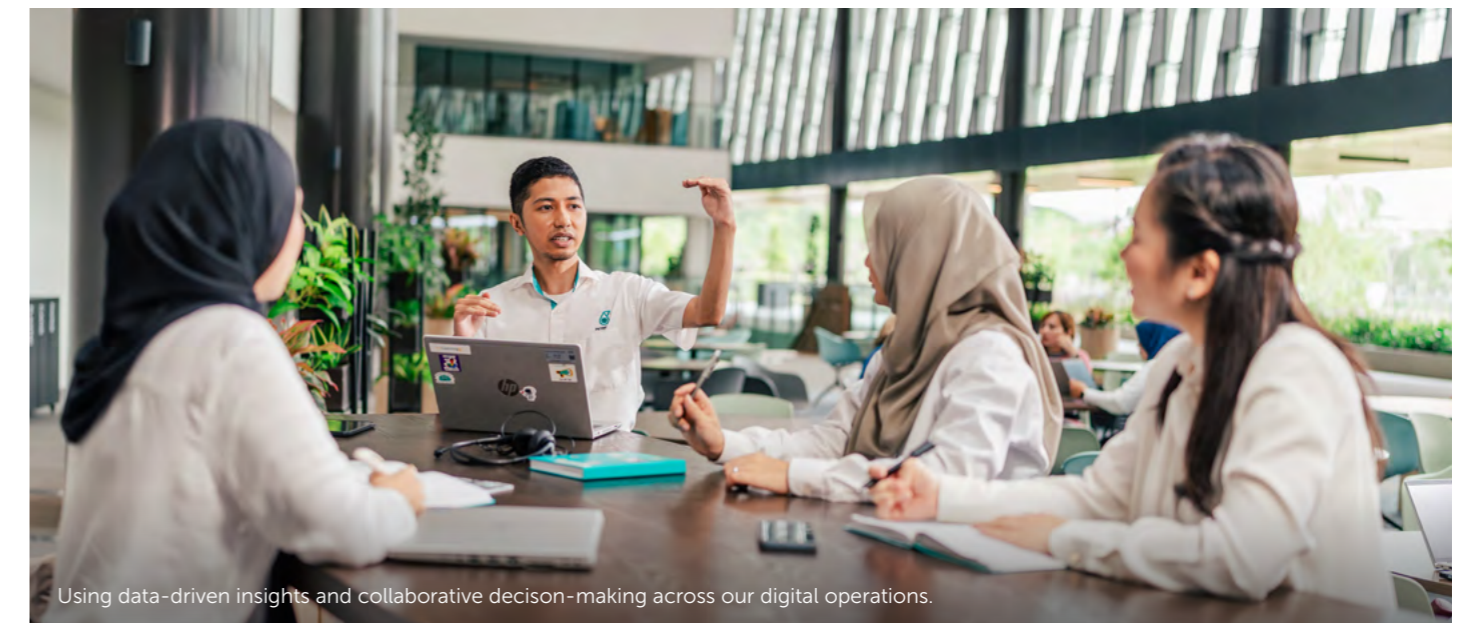
Data privacy risk management was advanced through a pilot PDPA 2024 readiness assessment across 17 targeted applications, covering Tier 1, Tier 2 and Tier 3 personal data categories. The assessment identified gaps, evaluated risks and defined mitigation actions across different data sensitivity levels, including basic personal data limited to business contact information, extended personal data beyond business contacts, and sensitive personal data protected under the PDPA and General Data Protection requirements.

Data privacy requirements were also incorporated into Cyber Security Control Standards, and Data Protection Impact Assessments (DPIAs) were applied to systems processing personal data to ensure consistency in control implementation.

Building Awareness and Workforce Capability

Training programmes were delivered to inculcate cyber security awareness and behavioural change across the workforce, supported by initiatives such as the Global Cyber Security Month and targeted learning activities. Engagement approaches included communications, targeted microlearning and role-based workshops, as well as participation in industry forums to share insights on safeguarding critical infrastructure. Strong engagement was achieved across training activities, with a high completion rate for the annual cyber security refresher assessment.

Data protection and privacy awareness programmes further supported the application of PDPA requirements and data protection best practices. These programmes equip employees with the knowledge to understand their responsibilities in handling personal data and to apply privacy requirements appropriately in their day-to-day roles.

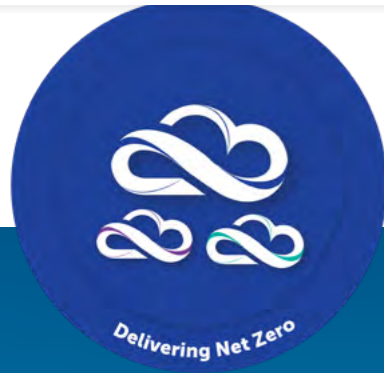


Using data-driven insights and collaborative decision-making across our digital operations.

Sustainability Impact

By embedding cyber security and data protection into everyday processes, PETRONAS has strengthened energy-supply reliability, protected critical information assets and bolstered long-term resilience and stakeholder confidence. As digital integration strengthens across operations and partners, enterprise-wide visibility and coordination support consistent readiness and stable performance across the supply chain.

Reduced exposure across applications, devices and internet-facing systems enables safer, more efficient use of digital tools, and streamlined monitoring improves response to rising threat volumes. Greater workforce awareness and tighter supplier oversight foster secure digital behaviours and supply chain readiness, supporting compliant business practices. These ongoing actions reinforce PETRONAS' ability to safeguard critical assets and deliver safe, reliable, sustainable value over the long term.



Delivering Net Zero

Our commitment to Net Zero Carbon Emissions (NZCE) by 2050 includes reducing greenhouse gas emissions across our operations and value chains, and strengthening resilience against impacts of climate-related physical risks.



As climate risks continue to intensify globally, a structured and forward-looking response becomes essential. We are committed to reducing greenhouse gas (GHG) emissions across our operations while strengthening our resilience towards climate-related physical risks, in an evolving regulatory and market landscape.

Our Material Topic

Climate Change and GHG Emissions

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Climate Change and GHG Emissions

Basis of Preparation

Sustainability-related Financial Disclosures

This report reflects PETRONAS' phased transition from the Task Force on Climate-related Financial Disclosures (TCFD) framework to the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, with full alignment targeted by 2027. For the 2025 reporting year, we have adopted selected provisions of IFRS S2: Climate-related Disclosures, where these can be supported by our existing data and processes, as detailed [on pages 228 and 229](#) of this report.

Our climate-related disclosures span governance, strategy, risk management, and metrics and targets, demonstrating the integration of climate considerations into our business planning and performance oversight. We disclose material climate risks and opportunities, outlining how these may influence our business prospects, operations and support capital allocation decisions.

Key Judgements and Sources of Estimation Uncertainty

Preparation of this report required the use of judgements, assumptions, estimates and measurement of uncertainties as permitted by IFRS S2, which expressly allows and requires such judgement in the preparation of sustainability-related disclosures. The key areas have been applied as summarised in the table below.

Section	Significant Estimates and Critical Judgements
Material Topics, pages 42 to 45 .	Materiality Assessment – Significance of Impact and Financial Materiality
Climate Change and GHG Emissions, pages 97, 102-105 .	GHG Emissions Calculations
Climate Change and GHG Emissions, pages 97 and 105 .	GHG Emissions Reductions
Climate Change and GHG Emissions, pages 102 to 105 .	GHG-related Metrics



Scan the QR code to visit Sustainability Performance Data for detailed information.

Where applicable, the proportionality mechanisms under the IFRS S1 and S2 permit the use of reasonably available information without undue cost or effort. In applying these mechanisms, we consider data availability and use approaches that are compatible with PETRONAS' skills, capabilities and resources.

Reporting Standards and Frameworks

PETRONAS' greenhouse gas (GHG) emissions are measured and reported using the GHG Protocol Corporate Accounting and Reporting Standard (Revised Edition, 2004), supplemented by the Scope 2 Guidance (2015), covering Scope 1, Scope 2 and material Scope 3 categories. PETRONAS quantifies emissions using both the operational control and equity share approaches, including emissions from material Scope 3 categories. The operational control approach reflects PETRONAS' ability, including through its subsidiaries, to introduce and implement operating policies and manage operations, enabling us to oversee performance and emissions in assets we directly control. The equity share approach reflects PETRONAS' economic interest, defined as the extent of our rights to the risks and rewards associated with an operation.

For joint ventures disclosures, GHG emissions are accounted for based on our equity share in each asset and are consolidated into our reported emissions figures.

To support comparability and sector relevance, we reference complementary frameworks and industry guidance, including the Sustainability Accounting Standards Board (SASB), CDP (formerly known as Carbon Disclosure Project), the Global Reporting Initiative (GRI) Standards, Sustainability Reporting Guidance for the Oil and Gas Industry by Ipieca, the American Petroleum Institute, and the International Association of Oil and Gas Producers (Revised 2025).

Data Verification

GHG emissions data was independently verified in accordance with ISO 14064-3:2019, providing assurance on the accuracy, reliability and transparency of disclosed emissions data. For the 2025 reporting period, the verification covered:

- Scope 1 and Scope 2 emissions under the equity share approach (inclusive of operational control).
- Scope 3 Category 1 emissions under the operational control approach.
- Scope 3 Category 11 (fuel) emissions under both the operational control and equity share approaches.

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Why This Matters

Climate policy, carbon pricing, disclosure expectations and financing criteria increasingly influence how energy companies plan, invest and operate. Rising scrutiny of emissions performance and the pace of the global energy transition are influencing market expectations, increasingly with regional variations. Energy companies, including PETRONAS, must adapt by strengthening resilience and continuing to deliver reliable and affordable energy, while supporting energy security of the markets we serve.

Climate change presents material physical risks to infrastructure integrity, supply chain continuity and workforce safety through rising temperatures, and more frequent extreme weather events. Managing GHG emissions and strengthening climate resilience are essential to sustaining operational reliability, maintaining access to markets and capital, and enabling us to meet energy needs safely while progressing on our commitment to Net Zero Carbon Emissions (NZCE) by 2050, as outlined in PETRONAS NZCE by 2050 Pathway.

Our Focus

PETRONAS' commitment to NZCE by 2050 encompasses the management of climate-related transition and physical risks. This includes reducing GHG emissions across our operations and value chains, strengthening resilience against the impacts of climate-related physical risks, and maintaining a reliable and affordable energy supply.

Our focus reflects the need to balance decarbonisation with operational resilience and evolving market expectations, taking into account differing regional contexts, including energy security priorities, infrastructure readiness and socio-economic considerations.

Our Approach

Our NZCE by 2050 Pathway, approved by the PETRONAS Board in October 2022, is informed by science and long-term national policy ambitions, while supporting energy security and affordability. To deliver our long-term NZCE by 2050 target, the Group will pursue a phased approach, subject to technological, regulatory and economic viability, recognising differences in economic development, energy security priorities, infrastructure readiness and social considerations across regions. It is supported by short-, medium- and long-term targets for both GHG and methane emissions, including a 25 per cent GHG gross emissions reduction by 2030 and a net emissions target by 2050. The Pathway covers Scope 1 and Scope 2 GHG emissions using both the operational control and equity share approaches.

To deliver our NZCE by 2050 target, we focus on the following, subject to technical, regulatory and economic viability:

- Maximising energy efficiency opportunities.
- Eliminating routine flaring and venting.
- Electrifying oil and gas operations where economically viable green electricity, supporting infrastructure and market readiness are available.
- Developing and implementing carbon capture and storage (CCS) for new and existing operations, subject to an enabling regulatory environment and project viability.
- Investing in nature-based and technology-based climate solutions to offset the hardest-to-abate emissions.

The NZCE by 2050 Pathway will be reviewed periodically to ensure it remains current as assumptions, methodologies and data availability evolve.

Governance

Governance over Climate-related Risks and Opportunities

The PETRONAS Board oversees the Group's response to climate-related risks and opportunities, and guides strategic direction across the organisation. Climate change, including climate transition and climate-related physical risks, is treated as a material consideration that informs long-term planning, investment decisions and risk management.

Governance structures support oversight of climate-related risks and opportunities in line with the broader corporate governance framework and Enterprise Risk Management Framework.

At the management level, the President and Group Chief Executive Officer has overall accountability for overseeing sustainability-related risks and opportunities, and performance monitoring, supported by the Sustainability Executive Leadership Team (S-ELT).

The Vice President and Group Chief Sustainability Officer is responsible for developing and implementing PETRONAS' climate and broader sustainability strategy, coordinating Group-wide delivery of the NZCE by 2050 Pathway, engaging with external stakeholders on climate-related matters and aligning the company's approach with regulatory and disclosure frameworks and standards.

Sustainability governance was previously overseen by the PETRONAS Sustainability Committee that monitored progress on material sustainability matters, providing oversight and strategic guidance to the S-ELT. Following a governance review to strengthen organisational effectiveness, an embedded governance model was adopted in November 2025, integrating sustainability oversight into the regular governance cadence of management and business divisions.

Refer to Corporate Governance at PETRONAS for the role of the Board and Management in climate-related matters on pages 185 to 195.

Strategy

Climate Resilience and Investment

The PETRONAS Energy Transition Strategy focuses on strengthening our core business, expanding lower-carbon business solutions and reducing emissions in line with the NZCE by 2050 Pathway.

We conduct climate scenario analysis to assess how different climate and energy transition pathways could affect our portfolio, strategic direction and long-term business resilience. The most recent analysis drew on International Energy Agency (IEA) scenarios, including the Stated Policies Scenario (STEPS), the Announced Pledges Scenario (APS) and the Net Zero Emissions by 2050 Scenario (NZE), and considered key assumptions, such as oil and gas prices, underlying socio-economic growth and climate policy.

Insights from the scenario analysis were used to test the robustness of our emissions reduction trajectory and key strategic choices under different transition conditions.

The NZCE by 2050 Pathway outlines our growth priorities and emissions reduction targets, enabled by four key abatement levers: Zero Routine Flaring and Venting, Energy Efficiency, Electrification, and Carbon Capture and Storage (CCS).

We maintain a disciplined capital allocation approach to safeguard financial strength while supporting future growth and the ongoing energy transition. Strategic investment decisions are prioritised through annual planning and budgeting processes, ensuring resources are directed toward projects aligned with the NZCE by 2050 Pathway. During the year, 12 per cent of CAPEX was spent on New Business and NZCE-related projects.

Refer to the PETRONAS Energy Transition Strategy on page 16 and Delivering Our Strategy from pages 52 to 83.



Scan the QR code for further details on the PETRONAS Net Zero Carbon Emissions Pathway.

Risk Management

Climate-related risks are integrated into PETRONAS' broader Enterprise Risk Management Framework. This process is governed by the PETRONAS Risk Policy and the PETRONAS Resiliency Model, which together provide the framework for effective risk management, as described on pages 26 to 29. The framework provides the tools and processes to evaluate a wide range of risks, including those related to climate change.

Risk identification and assessment are conducted across assets and business activities. These cover operational, regulatory, market, technology, physical risks and market trends. The identified risks are monitored regularly to ensure timely and effective management.

Climate-related Transition Risks and Opportunities

Climate change presents both transition and physical risks that can affect PETRONAS' cost of capital, access to markets, asset value and long-term earnings' trajectory. We assess climate-related risks at both portfolio and asset levels through top-down scenario analysis, bottom-up risk assessments and regular reviews of regulatory, market and stakeholder developments.

Transition Risks

Climate-related transition risks arise from changes in policy, regulation, market dynamics, technology and stakeholder expectations as the global energy landscape evolves. These changes can influence demand patterns, commodity prices, cost structures and access to capital, with potential implications across PETRONAS' asset portfolio, earnings profile and long-term value. We assess and manage these risks, namely market, compliance and reputational risks, through a combination of enterprise and asset-level assessments and ongoing monitoring of relevant external developments. These transition risks are embedded into our sustainability risk and are considered within our broader enterprise risk management approach, informing how we respond across strategy, capital allocation and business operations.

Refer to our mitigation strategies set out under Sustainability Risk in Risks Linked to Creating Value on page 33.

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Market Risk

Our asset portfolio may be affected by commodity price volatility and changing demand patterns as the energy transition shifts toward lower-carbon sources. These movements are influenced by regulatory developments, evolving customer preferences, the availability of alternative energy options and technological progress, all of which shape market conditions, operating performance and investor sentiment.

Potential Material Impacts

Reduced revenue, cash flows and returns

The pace of the energy transition, driven by climate change and, more recently, geographically specific energy security concerns, may place pressure on oil and gas margins as demand shifts and lower-carbon energy gains a greater share in the energy mix. Changes in market sentiment toward oil and gas could also influence long-term price expectations, potentially affecting the carrying value of property, plant and equipment.

Compliance Risk

As the energy transition progresses, we may face increasing challenges and scrutiny, including the need to adapt and comply with evolving regulations and policies.

Potential Material Impacts

Impact on business, strategy and financial planning

Climate-related regulations, including carbon pricing, incentives for research and development, and the adoption of low-carbon energy technologies, have an influence on strategy formulation, investment evaluation and operational planning. These factors affect cost allocation and risk-return considerations.

Compliance complexity

Operating across multiple and evolving regulatory regimes may increase the risk of non-compliance, penalties and legal exposure.

Cost increases

Policies that restrict or impose costs on fossil fuel extraction, production, consumption and associated emissions may raise operating and CAPEX requirements. Financing conditions may also tighten due to changes in financiers' and insurers' appetite for providing funding and coverage to oil and gas activities.

Reputational Risk

Our NZCE by 2050 Pathway reflects the Group's sustainability commitment and guides the long-term transition across the organisation. The Pathway, the Group's performance against it and related disclosures, are subject to ongoing stakeholder scrutiny.

Potential Material Impacts

Reputational impact

Insufficient communication and engagement on the Group's strategy and investment plans may affect reputation and weaken stakeholder trust.

Confidence in execution

Failure to make the required investments and deliver projects in line with stated targets may undermine stakeholder confidence in our ability to execute our Energy Transition Strategy.

Resilience to Transition Risk

We continuously monitor transition risks and adapt to evolving regulatory, policy, market and technology developments to maintain resilience. Through disciplined capital allocation and portfolio optimisation, we balance emissions reduction, financial sustainability and energy security of the markets we serve.

Transition Opportunities

The transition towards a lower-carbon energy system presents opportunities for PETRONAS to create long-term value. Our tactical opportunities reflect a climate-related growth agenda, enabling the Group to scale lower-carbon solutions while strengthening value chain resilience.

We have identified several key sources of lower-carbon growth across our products, technology solutions and financing channels.

[Refer to Tactical Opportunities in Sustainability Risks in Risks Linked to Creating Value on page 33.](#)

Development of Lower-Carbon Solutions

We are developing higher-value specialty chemicals to improve efficiency, optimise material use and reduce life cycle emissions for customers. In 2025, we introduced new high-performance synthetic fluids for advanced industrial applications, and expanded the bio-based portfolio with additional variants for personal care formulations. We also progressed on the production of renewable fuels, including Sustainable Aviation Fuel using bio-based feedstocks.

During the year, our CCS initiatives progressed through the award of Malaysia's first offshore storage assessment permit and the strengthening of technical and commercial collaborations to develop integrated storage hubs and industrial carbon management solutions.

Our renewable energy portfolio expanded to 9.1 gigawatt (GW) across solar, wind and storage projects, alongside participation in cross-border renewable electricity initiatives within ASEAN.

Hydrogen development advanced through project collaborations across Asia and Europe, building the foundations for future deployment at scale. Green mobility solutions also expanded through an ASEAN regional electric vehicle charging network of more than 1,100 charging points and the introduction of cross-border charging access via a unified digital platform.

[Refer to Delivering Our Strategy - New Business from pages 65 to 80.](#)

Strengthening Financial Sector Engagement on Climate Transition

Sustainability-related opportunities, including those linked to climate change, also arise through closer engagement with financial institutions, which play a critical role in developing and supporting the economic viability of new energy and decarbonisation projects and value chains. As the financial sector increasingly emphasises credible transition strategies and transparent progress in managing net-zero portfolios, PETRONAS deepened engagement with financial institutions during the year to discuss emissions reduction progress, broader NZCE efforts and sustainability commitments.

[Refer to Delivering Our Strategy - New Business from pages 65 to 80.](#)

Climate-related Physical Risks

Changing climate conditions influence how assets are operated and maintained across PETRONAS' international portfolio. Floods, heatwaves, wildfires, rising sea levels and other climate-related events may disrupt our operations, damage infrastructure and impact workforce safety and value chain continuity across the countries in which we operate.

Experience across our operating locations has shown how weather-related events can interrupt activities and require adjustments to maintenance and site protection measures. These lessons reinforce the need for continuous monitoring and targeted adaptation to safeguard people, assets and surrounding communities.

Impact Assessments

Understanding Asset Resilience

Since 2023, we have conducted systematic assessment of the physical impacts of climate change across our international portfolio of assets under operational control. The assessment uses the Shared Socio-Economic Pathway (SSP) 2-4.5 scenario from the Intergovernmental Panel on Climate Change Sixth Assessment Report as an intermediary emissions scenario to inform our understanding of potential future physical hazards. We also include the SSP 5-8.5 scenario to broaden the assessment and stress test potential climate risks under higher emissions conditions.

We manage climate-related physical risks by assessing portfolio-level exposure, prioritising and validating vulnerable assets through site assessments, carrying out targeted adaptation, and embedding this approach into our systems, processes, tools, capability development and portfolio reviews.

Based on desktop assessments conducted using climate-hazard modelling, we have identified seven key climate hazards that may pose high, very high or extreme risk to the PETRONAS operational control assets by 2050. The identified key climate hazards are:

- Extreme precipitation
- Drought
- Storm surges
- Pluvial floods
- Lightning
- Heat waves
- Fluvial floods

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By mapping key climate hazards to the geographic locations of PETRONAS' assets, approximately 15 per cent of assets under operational control were found to be vulnerable (i.e., assets that are located in areas where the hazard risk ratings are high, very high or extreme). A subsequent prioritisation process was applied to identify assets for detailed vulnerability and adaption assessments on-site. Additionally, the identified risks are incorporated into the asset's Health, Safety and Environment (HSE) Hazards and Effects Register for systematic risk management under the HSE Management System.

From 2024 to 2025, we completed 27 site validations in Malaysia (2024: 11; and 2025: 16) at prioritised assets by assessing climate-hazard modelling data against the assets' adaptive capacity, in terms of their ability to withstand potential extreme weather events through design specifications and existing mitigation measures. This process provides more precise insights into asset-level vulnerabilities and informs the need for targeted adaptation planning, which is embedded within existing annual planning and budgeting process to ensure operational continuity and strengthened resilience against identified climate-related physical risks. These efforts have resulted in plans to enhance asset drainage systems as well as ongoing collaboration with local authorities to strengthen flood mitigation measures.

Understanding Value Chain Resilience

To understand climate impacts beyond individual assets, we have conducted desktop business-interruption analyses across our material value chains. These assessments help identify high-risk segments of our natural gas and crude oil value chains that could experience significant operational disruption, with potential financial impacts across assets, suppliers and customers.

To strengthen the robustness of this activity, we developed a materiality assessment methodology benchmarked against industry peers, insurers, consultants and regulators. This approach provides a consistent basis for prioritising areas with the most significant operational and financial implications.

For PETRONAS assets identified through this process, further reviews are being undertaken to determine the need for targeted adaptation planning. For impacts associated with third-party assets, exposure may be managed through Business Continuity Plans (BCP).

For the year under review, we also monitored climate adaptation expenditure across the portfolio through the annual planning and budgeting process.

Resilience to Physical Risk

We continue to strengthen our capability to manage climate-related physical risks by enhancing systems, processes and organisational readiness. This includes building internal expertise to support more comprehensive analysis of how climate-related physical risk may affect our operations and assets over time. We also deliver capability development programmes to raise awareness and equip employees with the knowledge and tools to identify, assess and respond to physical climate risks.

To further improve our approach to climate adaptation, we are developing comprehensive methodologies and processes to enable structured adaptation planning and implementation. These efforts will consider multiple adaptation dimensions, including asset-based, ecosystem-based and community-based adaptation.

Metrics and Targets

Overall GHG Emissions Performance against PETRONAS Net Zero Carbon Emissions by 2050 Pathway

Stakeholders increasingly expect greater transparency on GHG emissions across the economy, and organisations are under growing pressure to report comprehensively on their emissions profile, including Scope 1 (direct), Scope 2 (purchased energy) and relevant Scope 3 (value chain) emissions, in line with recognised reporting frameworks.

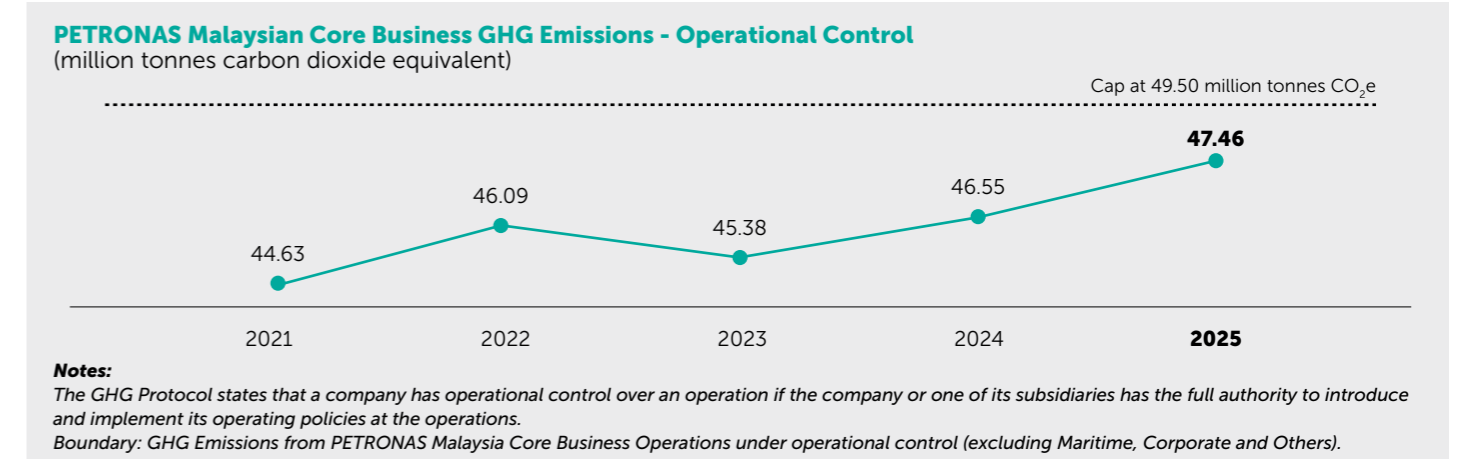
PETRONAS quantifies and discloses Scope 1, Scope 2 and material Scope 3 categories of GHG emissions:

- **Scope 1:** Direct emissions from company-owned or controlled facilities and operations (example of sources include: combustion, venting, flaring and fugitive emissions).
- **Scope 2:** Indirect emissions from the energy we purchase calculated using location-based approach (example of sources include: purchased electricity from grid).
- **Scope 3:** Other indirect emissions that are a consequence of our activities but occur from sources not owned or controlled by PETRONAS (our material categories are: use of sold products and purchased goods and services).

We monitor emissions performance under both the operational control and equity share approaches to track progress against the targets set out in our NZCE by 2050 Pathway. This practice supports our Energy Transition Strategy by enabling consistent oversight of emissions performance across the portfolio and informing long-term planning, capital allocation and portfolio optimisation decisions.

PETRONAS Malaysian Core Business GHG Emissions - Operational Control

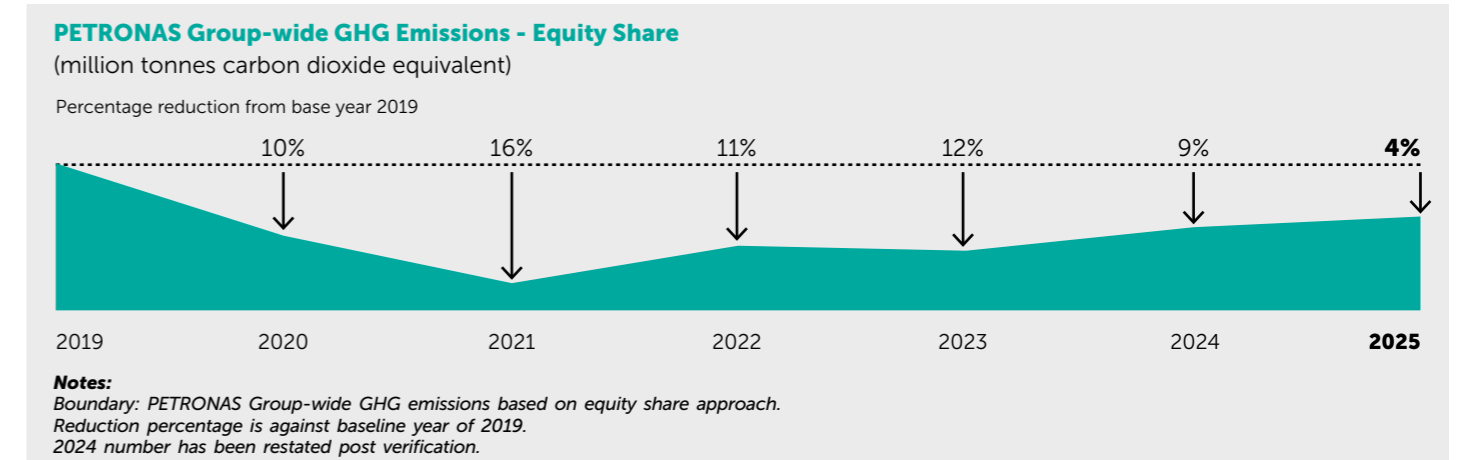
PETRONAS recorded 47.46 million tonnes of carbon dioxide equivalent (CO₂e) of operational control emissions from Malaysian operations, excluding Maritime, Corporate and Others (2024: 46.55 million tonnes CO₂e), an increase of 0.91 million tonnes (2 per cent) compared with the prior year. The increase was primarily driven by higher production following the completion of operatorship transfers of two Production Sharing Contracts (PSCs). In response, enterprise-wide actions are being undertaken to strengthen flaring and venting management and to moderate emissions intensity. Emissions-reduction efforts continue to focus on venting and flaring reduction, energy efficiency, electrification and the development of CCS, which remain the key levers in managing operational emissions over the medium- to long-term.



In the medium term, our focus is on delivering measurable emissions reductions in line with our 2030 targets, while strengthening the foundations for long-term net zero alignment. Progress to date includes targeted abatement efforts across our portfolio, including flare reduction at offshore Peninsular Malaysia, energy efficiency improvements at gas processing plants and electrification of PETRONAS retail stations.

PETRONAS Group-wide GHG Emissions - Equity Share

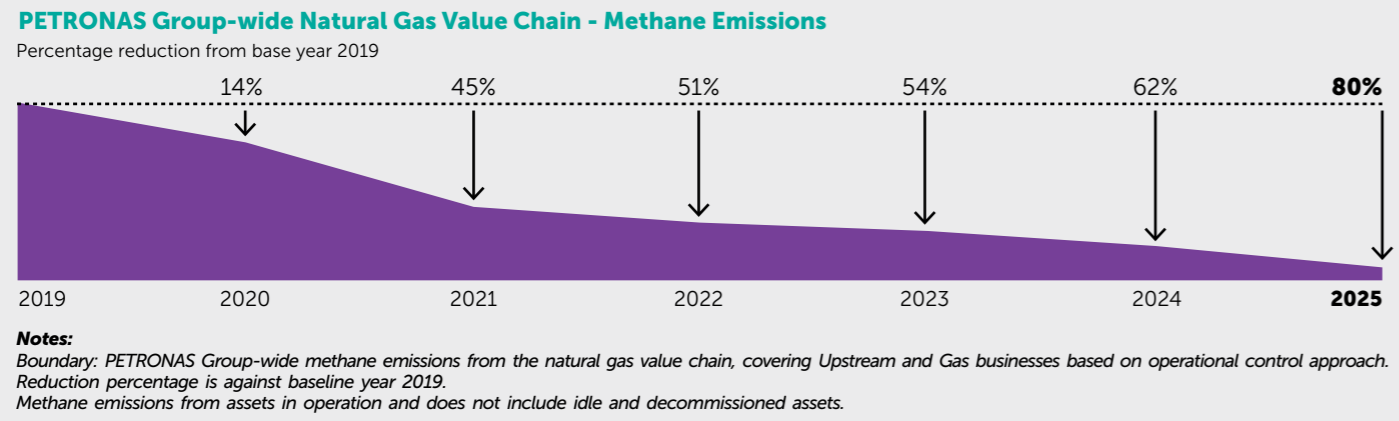
PETRONAS recorded 50.57 million tonnes of carbon dioxide equivalent (CO₂e) in Group-wide equity share emissions, representing a 5 per cent increase compared with the previous year (2024: 48.16 million tonnes CO₂e), which is 4 per cent below the 2019 baseline. Higher equity-share emissions were driven by the inclusion of a non-operated joint venture in the inventory and increased production levels at an operated asset. These increases were partially offset by divestment activities and decarbonisation projects. Performance remains aligned with the trajectory towards the 2030 target of a 25 per cent reduction in equity share emissions, as set out in our NZCE by 2050 Pathway. During the year, 78 per cent of equity share emissions were attributable to operated assets, with the remaining 22 per cent from non-operated assets.



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PETRONAS Group-wide Natural Gas Value Chain - Methane Emissions

Methane emissions are a major contributor to global warming, and international efforts such as the Global Methane Pledge call for at least a 30 per cent reduction in methane emissions by 2030 from 2020 levels. As hydrocarbon extraction is a significant source of methane emissions, the oil and gas sector has a critical role to play in achieving these reductions. Accordingly, PETRONAS treats methane performance as a strategic priority within the NZCE by 2050 Pathway.

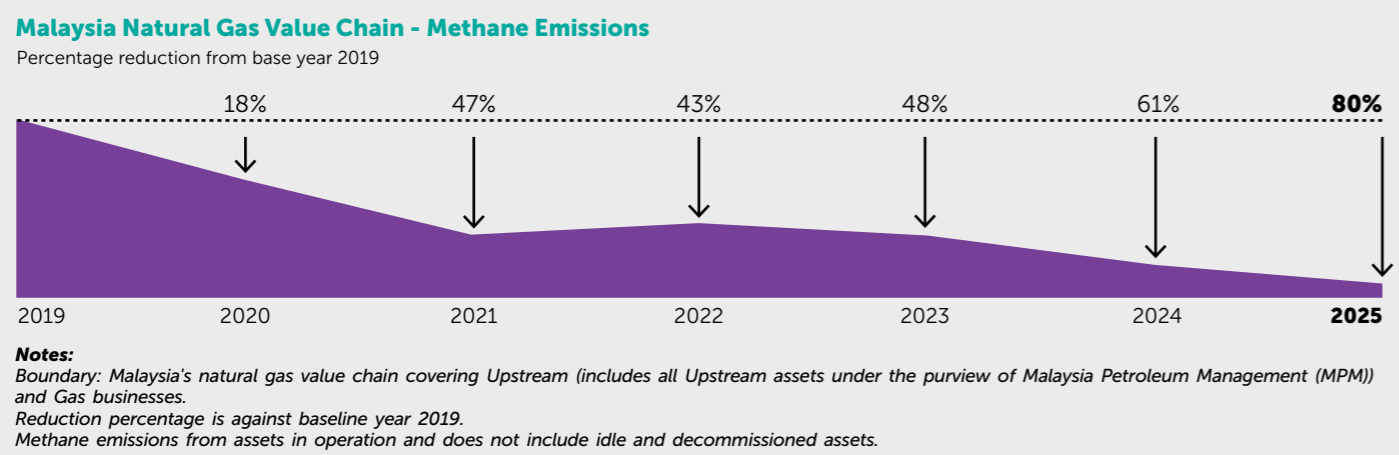


We have implemented methane emissions reduction initiatives and strengthened measurement accuracy across methane emission sources in both operated and non-operated assets along the natural gas value chain. As a result, PETRONAS achieved an 80 per cent reduction in Group-wide methane emissions from the natural gas value chain compared with the 2019 baseline, surpassing the 2025 target of a 50 per cent reduction and meeting the 2030 target of a 70 per cent reduction ahead of schedule.

This performance was driven primarily by sustained reductions in venting and flaring, including the achievement of zero routine venting across operated Upstream assets in Malaysia in 2024. Methane emissions management continues to be strengthened through improvements in measurement accuracy, data reliability and transparency, supporting informed decision-making and building confidence among investors and stakeholders. This is the result of PETRONAS' commitments to the World Bank's Zero Routine Flaring initiative, the Oil and Gas Methane Partnership 2.0 and the Global Methane Pledge.

Malaysia Natural Gas Value Chain - Methane Emissions

We achieved an 80 per cent reduction in methane emissions for Malaysia's natural gas value chain, surpassing the 2030 target of a 50 per cent reduction from the 2019 baseline.



Key contributors to the methane emissions reductions included:

Reduction of emissions from venting through vent-to-flare conversion projects.

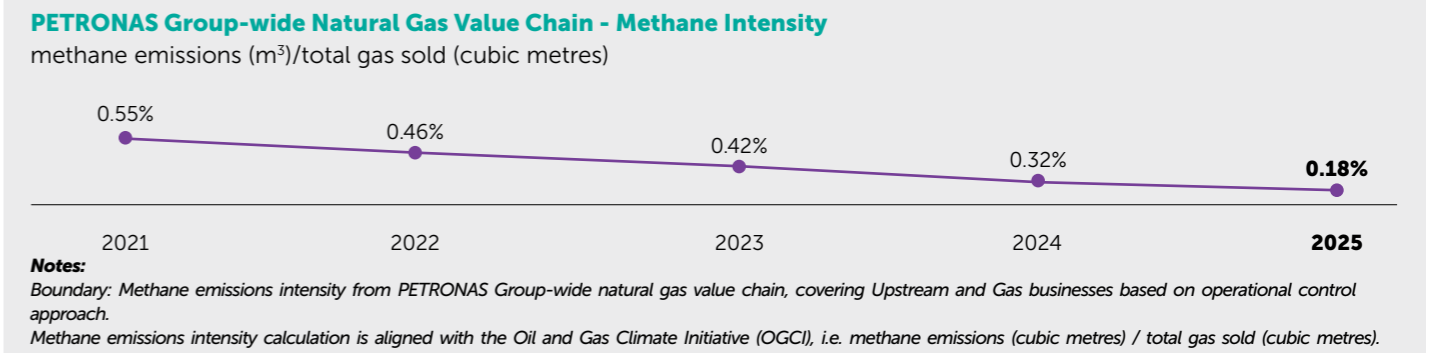
Vent reduction through membrane improvements in acid gas removal units.

Improvement of methane measurement practices at non-operated assets.

Engagements with joint venture partners on reporting improvements.

PETRONAS Group-wide Natural Gas Value Chain - Methane Intensity

PETRONAS is a signatory to the Oil and Gas Decarbonisation Charter (OGDC), which targets near-zero methane emissions by 2030. Near-zero methane emissions are defined as below 0.2 per cent methane emissions intensity, in line with the Oil and Gas Climate Change Initiative (OGCCI) definition. In 2025, we achieved a methane emissions intensity of 0.18 per cent, a 44 per cent improvement year-on-year.

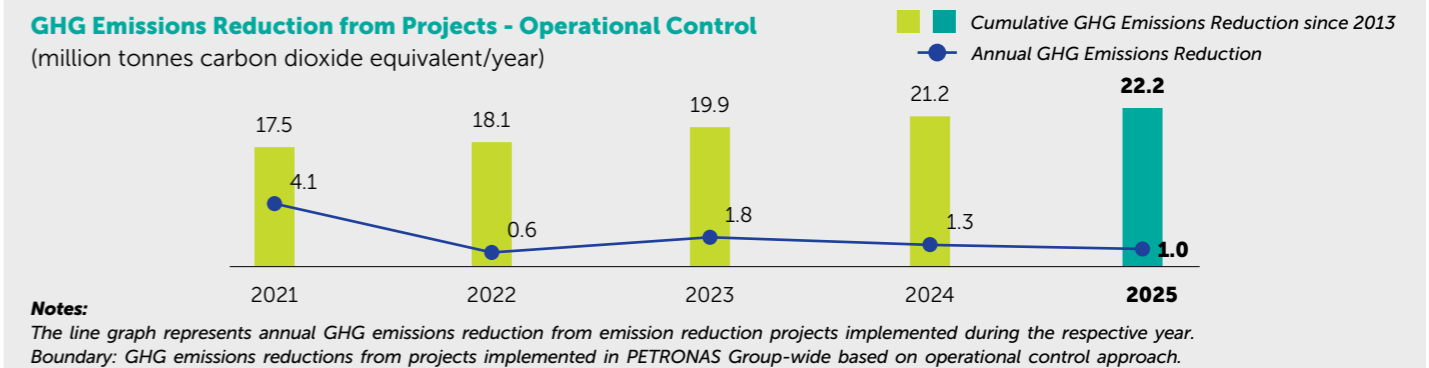


OGDC encourages collaboration and enables knowledge sharing within the oil and gas industry to advance decarbonisation efforts. During the year, we engaged in OGDC-facilitated training on methane measurement in accordance with the Oil & Gas Methane Partnership 2.0 technical frameworks.

Emissions Reduction Projects

Our approach to emissions reduction is increasingly embedded in how we design, operate, maintain and invest across our portfolio. We prioritise actions that deliver sustained reductions in operational emissions, continuous performance improvement and the integration of lower-carbon solutions into both existing operations and new developments. This includes embedding emissions considerations early in project design, strengthening operational controls and systematically identifying opportunities to reduce carbon emissions across our assets.

We continued to implement emissions reduction projects across our operations, spanning operational efficiency improvements, the reduction of routine emissions sources and the integration of lower-carbon energy solutions where feasible. As we embed carbon pricing into decision-making and portfolio optimisation, the organisation is progressively shifting towards lower-emissions and higher efficiency operations.



In 2025, 24 emissions-reduction projects were completed across the Group, resulting in annual reductions of 1.0 million tonnes of CO₂e. The projects included:

- Flare reduction at two Upstream offshore assets in Peninsular Malaysia by optimising the acid gas removal units (AGRU).
- Energy efficiency improvements at the gas processing plant by optimising the condensate stripper, as well as the reciprocating and overhead compressors.
- Electrification at PETRONAS retail stations through solar panel installation.

Since 2013, we have cumulatively reduced annual emissions by 22.2 million tonnes of CO₂e across our assets (operational control).

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Emissions Reduction by Abatement Levers in 2025

Flaring and Venting

Flaring and venting projects reduced emissions by 0.58 million tonnes CO₂e per year.

Energy Efficiency

Energy efficiency projects reduced emissions by 0.39 million tonnes CO₂e per year.

Electrification

Electrification projects reduced emissions by 0.001 million tonnes CO₂e per year.

Flaring and Venting

Eliminating routine flaring and venting is a key emission abatement lever that supports delivery of our NZCE by 2050 Pathway. We do this through targeted, project-level interventions that minimise resource losses and reduce emissions across our operations.

In line with the World Bank's Zero Routine Flaring by 2030 initiative and the Oil and Gas Decarbonisation Charter, we have made significant progress in reducing routine flaring from our Group-wide Upstream oil assets. These include avoiding routine flaring in all new oil field developments and progressively phasing out routine flaring at existing production sites by 2030. These commitments cover our Upstream operations under operational control, excluding safety-related and non-routine flaring. All new and existing oil field development projects are assessed under PETRONAS Carbon Commitments to confirm alignment with World Bank's Zero Routine Flaring by 2030 expectations.

We have disclosed our flaring data under the operational control boundary to the World Bank since 2022. In 2024, we reported a total flaring volume of 1,579 million standard cubic metres (sm³) and routine flaring volume of 1,042 million sm³. Total flaring volumes accounts for routine, non-routine and safety flaring.

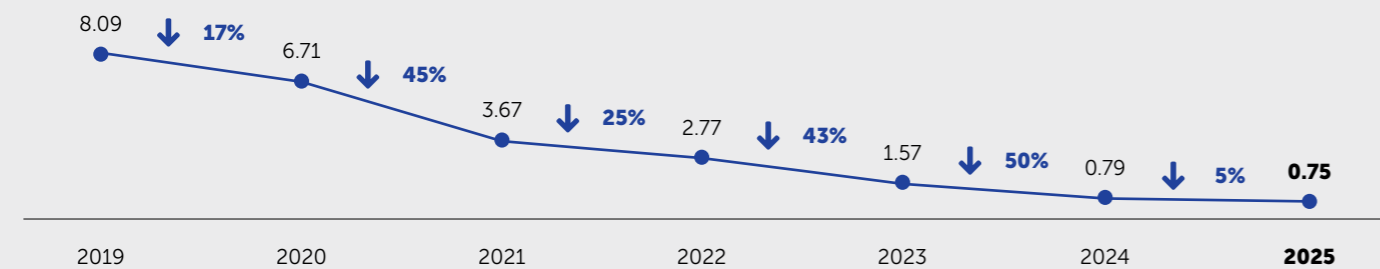
In terms of intensity, we recorded a flaring intensity of 9.29 sm³ per barrel of oil equivalent* in 2024, reduced by 6 per cent from 2023 (9.89 sm³ per barrel oil equivalent). This reduction was driven by additional compressor installation to export associated gas at identified assets while increasing our production.

Note:
* A barrel of oil equivalent (boe) is a unit of energy measurement used to standardise and compare the energy content of different energy sources, such as oil, natural gas and coal, by equating them to the energy contained in one barrel of crude oil. The data above specifically refers to Upstream oil assets, in line with the World Bank's Zero Routine Flaring initiative boundary.



Scan the QR code to read the PETRONAS Zero Routine Flaring Report.

PETRONAS' Upstream Business Venting - Operational Control (million tonnes carbon dioxide equivalent)



Notes:
Boundary: Venting emission from PETRONAS' Upstream business based on operational control approach. This includes non-routine and routine venting. Venting is defined as the direct release of gases, predominantly hydrocarbon gases into the atmosphere without combustion. Venting reduction percentage compared to previous year.

PETRONAS' Upstream business eliminated routine venting across all Malaysia-operated assets under its operational control in 2024. The integration of PETRONAS carbon commitments into the designs and operations have helped reduced upstream venting by 5 per cent in 2025 compared to 2024 as illustrated in the graph above.

Malaysia Petroleum Management (MPM) provides upstream stewardship by setting flaring reduction expectations within the governance framework for Upstream Malaysia, supporting alignment with PETRONAS' NZCE by 2050 Pathway. Flaring and venting requirements are incorporated into our Governing Standards for Malaysia Petroleum Operations and Minimum Environmental Standards, which apply to upstream petroleum arrangements in Malaysia under MPM's purview.

MPM strengthens its accountability through systematic monitoring of flaring and venting volumes and carbon intensity, using measurement-based approaches aligned with Oil and Gas Methane Partnership 2.0 principles. This oversight enables early identification of flaring, informs operational interventions, and supports the integration of Zero Routine Flaring considerations into project sanctioning and operational reviews. Together with the implementation of targeted abatement measures, these processes contribute to sustained reductions in routine flaring.

To translate governance expectations into outcomes, MPM facilitates the implementation of practical abatement solutions, including vent-to-flare conversions, flare gas recovery and gas evacuation projects, complemented by energy efficiency and electrification measures. These coordinated efforts support sustained reductions in routine flaring and contribute to GHG emissions reduction across upstream oil and gas activities in Malaysia.

Energy Efficiency

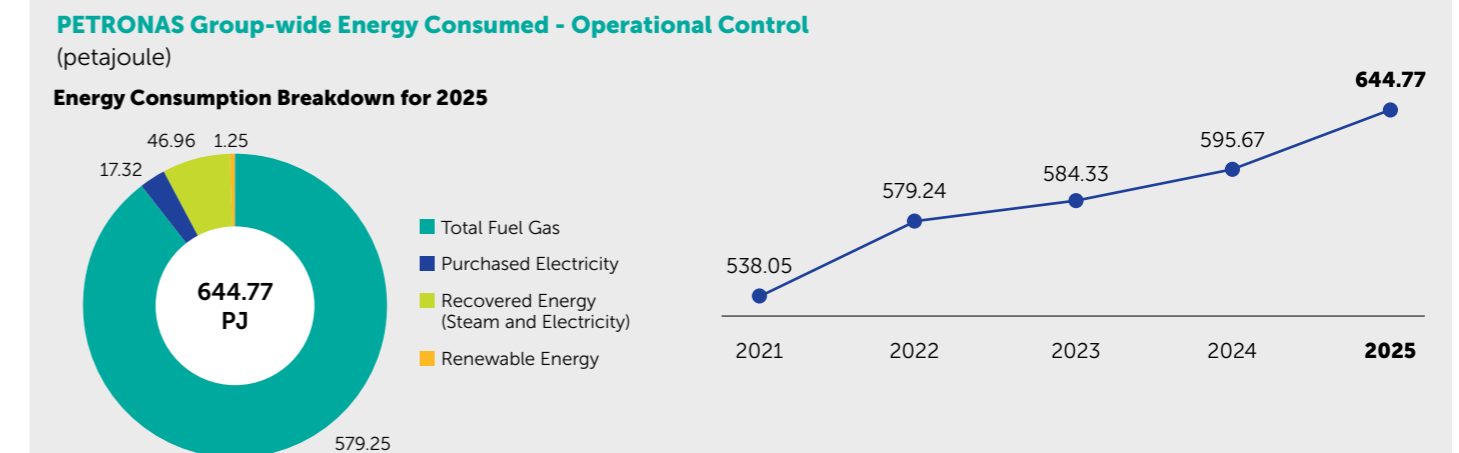
Energy efficiency is recognised by the International Energy Agency (IEA) as a 'first fuel' of the energy transition and serves as a key emissions-abatement lever for PETRONAS. Effective energy efficiency efforts lower GHG emissions, improve operational performance and enhance cost competitiveness.

Operational efficiency initiatives are complemented by the adoption of renewable energy solutions where feasible, resulting in further reductions in energy consumed from fossil fuels and operational costs. These actions are enabling the efforts to decouple business growth from emissions, supporting our NZCE by 2050 Pathway delivery.

In Malaysia and across ASEAN, energy security and affordability remain essential to economic development and business continuity. Recognising this, the Malaysian Government has prioritised energy efficiency in the National Energy Transition Roadmap (NETR) and through the enactment of the Energy Efficiency and Conservation Act (EECA) 2024. PETRONAS has responded by implementing a Group-wide energy management system aligned with international standards and frameworks. To support the energy management system implementation, we are committed to enhancing staff capability through certification in Registered Energy Auditor (REA) and Registered Energy Manager (REM) training programmes as well as our in-house Decarbonisation Programme.

Energy Consumption of PETRONAS Group-wide, Operational Control

In 2025, our Group-wide energy consumption was 644.77 petajoules (PJ) as compared to 595.67 PJ in 2024, which is approximately 8 per cent higher than the previous year. The increase in annual energy consumption resulted from our business portfolio expansion and higher production across the value chain.



Note:
Boundary: PETRONAS Group-wide Energy Consumption based on the Operational Control approach. Historical numbers reconciliation reflect latest improvements in measurement, reporting and verification process of energy consumption quantification through internal and external verification exercise.

Despite the increasing trend in total energy consumption, we have managed to limit the increase in energy intensity from 2024 to 2025 across the business, except for petrochemicals, to less than 5 per cent. In addition, PETRONAS has demonstrated energy efficiency, as seen in the general decreasing trend across 2021 to 2025 in energy intensity across most businesses. Group-wide, energy efficiency has been strengthened through enhancements in operating modules, utilisation of process automation and improvements in equipment efficiency.

Delivering Net Zero

In 2025, we utilised 46.96 PJ of recovered energy, comprising steam and electricity, across our operations, as reflected in the energy consumption breakdown. This demonstrates the continued integration of operational and energy efficiency. In parallel, renewable energy adoption progressed, with 1.25 PJ introduced, including approximately 169,000 GJ of solar energy generated from PRPC Utilities and Facilities within the Pengerang Integrated Complex in Johor.

On an energy intensity basis, the Upstream business recorded a 1.7 per cent decrease in energy intensity to 190.6 GJ/kboe in 2025, compared with the previous year. This reduction was primarily driven by improved energy efficiency across operations.

Following the 2022 upgrade of our refinery in Melaka to meet EURO 5 diesel specifications under the Environmental Quality Regulations 2015, energy intensity adjusted accordingly and has since stabilised at approximately 0.3 GJ/bbL. The petrochemical business recorded an energy intensity of 16.08 GJ per million tonnes in 2025, reflecting a change in the energy consumption boundary under the PETRONAS Group-wide Energy Loss Management System methodology, aligned with the Group's GHG emissions boundary¹. Underlying energy performance remained broadly consistent with normal operating conditions over the 2021 to 2025 period.

LNG and Gas Processing facilities recorded a 2 per cent reduction in energy intensity, to 4.49 GJ/tonne in 2025. This improvement was driven by stronger performance at PETRONAS Floating Liquefied Natural Gas (PFLNG) and PETRONAS LNG Complex (PLC) assets, supported by higher production and reduced unplanned downtime.

Overall, our Gas and Maritime business achieved a reduction of 18 PJ in energy consumption in 2025, contributed by both MISC Group (8 PJ) and PLC (10 PJ). This was due to fewer vessels operating within the gas fleet as part of ongoing fleet rejuvenation efforts, as well as lower downtime.

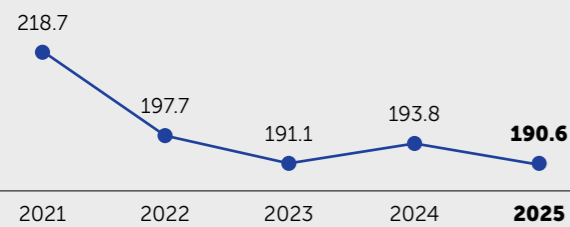
¹ Petrochemicals boundary change - inclusion of internally generated energy in commodity chemicals segment as part of the Energy Loss Management System rollout, aligned with international standards and frameworks.

Energy Intensity by Business, Operational Control

(gigajoules per business-specific denominator)

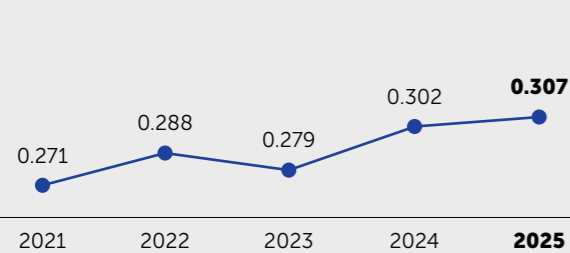
Upstream Energy Intensity

(gigajoules per kilobarrel of oil equivalent)



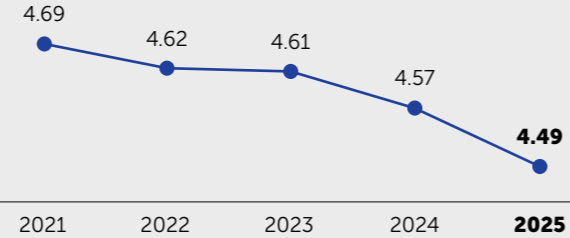
Refineries Energy Intensity

(gigajoules per barrel of oil)



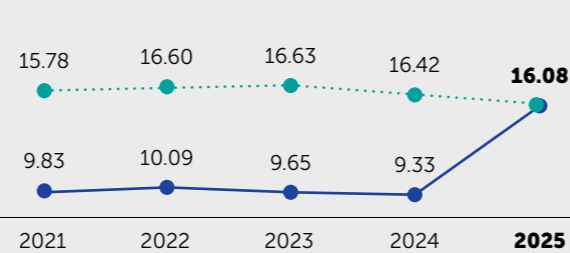
LNG and Gas Processing Energy Intensity

(gigajoules per tonne of production)



Petrochemicals Energy Intensity

(gigajoules per million tonne of production)



Dotted line indicates reconciled petrochemicals energy intensity based on revised boundary (with inclusion of internally generated energy).

Notes:

Boundary: Business-specific energy intensity based on Operational Control approach.

Energy Efficiency and Energy Reduction Projects

Energy efficiency has long been embedded across our operations and remains a core element of our operational excellence efforts. We continue to enhance energy efficiency performance across the integrated value chain through targeted initiatives, including optimisation of natural gas consumption for supplementary firing in heat recovery steam generators, equipment upgrades and retrofits, and the deployment of advanced process control and steam recovery systems.

In the Upstream business, energy efficiency measures progressed further in 2025. Improvements in power generation efficiency and demand-optimisation initiatives delivered an estimated reduction of around 480,000 GJ in energy consumption, corresponding to a reduction of approximately 28,000 tonnes carbon dioxide equivalent (tCO₂e) in GHG emissions for the year.

The Downstream business implemented multiple energy efficiency initiatives across refinery and petrochemical assets, primarily targeting utility system optimisation, advanced process control enhancements and equipment insulation retrofitting. Collectively, these initiatives resulted in energy reduction of more than 200,000 GJ per year, which is around 25,000 tCO₂e in GHG emissions annually.

Within our Gas and Maritime business, energy optimisation efforts were advanced at the Gebeng utilities asset through the Gas Turbine Efficiency Upgrade Project. This effort introduced an advanced gas path to improve heat rate and increase power output. As at December 2025, it delivered an average energy reduction of approximately 74,440 GJ per year, translating into a cumulative GHG emissions reduction of around 1,630 tCO₂e for the year.

Overall, these improvements have been subject to consistent monitoring of energy efficiency performance and timely engineering interventions, supported by in-house tools, established methodologies and an enterprise-wide energy management system.

[Scan the QR code on page 97 of this report for detailed information.](#)

Electrification and Carbon Capture and Storage

Alongside energy efficiency and the elimination of routine flaring and venting, electrification and carbon capture and storage (CCS) form key pillars of PETRONAS' emissions abatement approach. Where access to low-carbon electricity, grid reliability and project economics allow, we electrify selected assets to reduce on-site fuel consumption and Scope 1 emissions. Concurrently, we are advancing CCS as a medium- to long-term solution for hard-to-abate emissions, leveraging our expertise in subsurface evaluation, reservoir management, and large-scale project delivery and execution.

The role of electrification and CCS is expected to grow over time as technology matures, enabling infrastructure and policy frameworks to improve their accessibility and cost-effectiveness. Together, these emissions-abatement levers support our response to climate-related risks by lowering operational emissions, strengthening resilience to evolving policy, regulatory and market developments, and providing a credible pathway to meeting our GHG and methane emissions reduction targets.

Strengthening Greenhouse Gas Emissions Management

To strengthen the consistency, transparency and accuracy of GHG emissions data, we revised our internal technical standards on GHG emissions management. This resulted in a more streamlined, Group-wide GHG methodologies, supporting enterprise adoption and contributing to the achievement of the Oil and Gas Methane Partnership 2.0 Gold Standard.

GHG emissions across all operations are quantified using actual measured operational data, applying industry-accepted measurement methods such as flow meter readings, gas composition sampling, clamp-on flow meters and quantitative optical gas imaging (QOGI) for fugitive emissions.

The Environment, Social Performance and Product Stewardship Integrated and Centralised System (EPICS) is an enterprise digital platform that serves as the single source of truth for Group-wide GHG data reporting, management and governance. The methane data capture module was updated in accordance with the Oil and Gas Methane Partnership 2.0 reporting requirements, supporting our methane emissions reduction efforts through strengthened Measurement, Reporting and Verification (MRV).

Targeted initiatives continue to build practitioners' capabilities across the organisation. In 2025, we held 19 GHG Community of Practice sessions focused on knowledge sharing, training and upskilling activities to strengthen capability across PETRONAS. We also organised a lead GHG verifier training to strengthen internal verification competency in line with the principles set out in ISO 14064-3: Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.

Delivering Net Zero

A three-year GHG data verification programme was initiated to confirm the accuracy and credibility of our emissions data. This strengthens confidence in our sustainability disclosures and supports informed decision-making. In 2025, independent assurance was conducted in line with ISO 14064-3:2019 which resulted in the issuance of a Limited Level Assurance Statement for Scope 1 and Scope 2 (Equity Share), and for Scope 3, Category 1 (Operational Control) and Category 11 (Operational Control and Equity Share).

[Refer to Basis of This Report on page 5.](#)

Data Verification

Our GHG emissions data were independently verified by LRQA Inspection Malaysia Sdn Bhd. This verification provides assurance over the accuracy of our emissions information. It also strengthens governance and regulatory readiness while supporting investor and stakeholder confidence, enhancing the reliability and transparency of our reporting. We have set 2019 as the baseline year for tracking progress towards achieving our NZCE by 2050 Pathway targets.

To further enhance confidence in our disclosed data, independent assurance was conducted on past data sets from 2020 to 2024 in accordance with ISO 14064-3:2019, Greenhouse gases - Part 3: Specification with guidance for the verification and validation of greenhouse gas statements, and Limited Assurance Statements were issued for the verified emissions scopes and categories. As part of the assurance exercise, certain historical GHG data were restated to reflect updated methodologies and verification outcomes. Going forward, our GHG emissions data will be subject to annual verification.

The scope of independent assurance obtained is summarised in the table below:

GHG Accounting Approach	Level of Assurance	Data in Years	Boundary	GHG Scope
Operational Control	Limited	2019 - 2023	PETRONAS Core Business Operations (Upstream, Gas and Downstream)	Scope 1 and 2
Operational Control	Reasonable	2024	PETRONAS Core Business Operations (Upstream, Gas and Downstream)	Scope 1 and 2
Equity Share	Limited	2019 - 2024	PETRONAS Group-wide Operations	Scope 1 and 2
Operational Control and Equity Share	Limited	2019 - 2024	PETRONAS Core Business and Group-wide Operations	Scope 3 (Category 11: Use of Sold Products - Fuel)

Strengthening Scope 3 Emissions Disclosure

In 2025, PETRONAS Group-wide quantified material Scope 3 emissions from Category 11 (Use of Sold Products - Fuel) amounted to 300.03 million tonnes CO₂e (Operational Control approach) and 285.39 million tonnes CO₂e (Equity Share). Meanwhile, Category 1 (Purchased goods and services) recorded 18.73 million tonnes CO₂e (Operational Control).

In preparation for the Malaysian National Sustainability Reporting Framework and the EU Corporate Sustainability Reporting Directive, PETRONAS and the Group's public listed companies are strengthening readiness to improve the quantification and disclosure of material Scope 3 emissions. An internal guidance document has been developed to support our public listed companies in preparing their Scope 3 emissions quantification and disclosures.

As part of capability development, Scope 3 is included in our sustainability training programmes to build employee awareness.

Methane Emissions Management

PETRONAS remains proactive in methane emissions management to demonstrate measurable progress towards the delivery of our NZCE by 2050 Pathway targets.

We continue to enhance transparency in our methane emissions management and performance to reinforce stakeholder trust in our efforts. To help drive performance improvements in our methane emissions management, we are signatory to the following initiatives:

- **Methane Guiding Principles (2020-2025).** The Methane Guiding Principles initiative was officially retired in 2025 after successfully achieving its original objectives of elevating industry-wide focus on methane emissions reduction within the oil and gas sector.
- **World Bank's Zero Routine Flaring by 2030 Initiative** (since 2021).

- **Oil and Gas Methane Partnership 2.0** (since 2022).
- **Oil and Gas Decarbonisation Charter** (since 2023).
- **Joint Statement on Decarbonisation and Methane Emissions Reduction from Organisations in the Southeast Asian Energy Sector** (announced in 2024).

Oil and Gas Methane Partnership 2.0

We became a signatory member of the Oil and Gas Methane Partnership 2.0 in 2022, with the objective to improve our methane emissions accuracy and transparency and build stakeholder trust through the adoption of a credible industry framework.



Scan the QR code to read the PETRONAS Oil and Gas Methane Partnership (OGMP) 2.0 Report.

Understanding the Oil and Gas Methane Partnership 2.0 Reporting Levels

The Oil and Gas Methane Partnership 2.0 framework for methane emissions reporting consists of five levels, each offering increasing detail and accuracy. This tiered approach helps companies progressively improve their methane emissions monitoring and reporting practices.

- Level 1** Asset level reporting (single consolidated) emissions.
- Level 2 and 3** Source type based on generic emission factors.
- Level 4** Source level direct measurement or methodologies.
- Level 5** Level 4 and site level measurement reconciliation.

Our Performance for Methane Emissions Reporting under Oil and Gas Methane Partnership 2.0

- Year 3 31 May 2025** Recognised with **Gold Standard in Reporting status.**
- Year 2 31 May 2024** Recognised with **Gold Standard Pathway status.**
- Year 1 31 May 2023** Awarded **Gold Standard** for the implementation plan. Recognised with **Gold Standard Pathway.**

In 2025, we improved our measurement practices from Level 3 to Level 4 across all material operated assets. We also continue to perform site-level measurement and reconciliation for selected assets, supporting our commitment to achieve Level 5 under the Oil and Gas Methane Partnership 2.0 reporting framework. The efforts contributed to PETRONAS achieving the Oil and Gas Methane Partnership 2.0 Gold Standard in Reporting.

We achieved Gold Standard Reporting under the Oil and Gas Methane Partnership 2.0, reflecting the highest level of methane emissions data quality and transparent disclosure across our operated assets. This recognition validates the discipline we apply in measurement, verification and reporting.

Delivering Net Zero

Strengthening Methane Measurement and Quantification Accuracy

Fit-for-purpose technologies aligned with the Oil and Gas Methane Partnership 2.0 technical requirements, including ultrasonic flow meters and ultrasonic clamp-on flow meters, were deployed to support our source-level methane emission practices. To further strengthen our approach and enhance the reliability of our reporting, we conducted methane controlled-release testing using several models of Quantitative Optical Gas Imaging (QOGI) cameras. The lessons learnt and identified best practices have informed refinements to our operational procedures and supported improved measurement accuracy.



Methane-controlled release testing using Quantitative Optical Gas Imaging (QOGI) camera at Universiti Teknologi PETRONAS, Perak, Malaysia.

Working with Partners to Abate Methane Emissions

MPM, the regulatory arm and the host authority for Malaysia's upstream activities, continues to enforce methane emissions measurement, quantification and reporting by partners in Malaysia's upstream operations. These requirements have improved the accuracy of operators' reported methane emissions and support ongoing reduction efforts.

In collaboration with a joint venture partner to mitigate methane emissions from a shared asset, we investigated and validated emissions sources following satellite observations by the United Nations Environment Programme's Methane Alert and Response System (MARS). Drone surveys were subsequently deployed to support this process, with findings informing a targeted set of mitigation actions, including permeate flare tip rectification, flare system operational adjustments, measurement improvements and process membrane optimisation. This case demonstrates that rigorous methane measurement is fundamental to precise root-cause identification and effective emissions mitigation.

Advancing Regional Methane Management Capability

PETRONAS, in collaboration with ASEAN energy operators, government agencies and international organisations, launched the ASEAN Energy Sector Methane Leadership Program (MLP) in June 2023 and has continued advancing regional efforts on methane emissions management. In 2025, as Chair of the MLP, PETRONAS delivered key methane management programmes at Energy Asia 2025, including the 8th ASEAN Energy Sector Methane Roundtable, the Methane Leadership Program 2.0 Technical Workshop and the Southeast Asia Methane Technology Evaluation Centre (SEA METEC) Workshop.

Through MLP, we support regional capacity building and advocacy through technical workshops and masterclasses for ASEAN energy sector companies, focused on Oil and Gas Methane Partnership 2.0 delivery and methane emission abatement technologies. Collectively, with our regional and international partners, we are strengthening methane emissions management across ASEAN, aligned with the Global Methane Pledge.

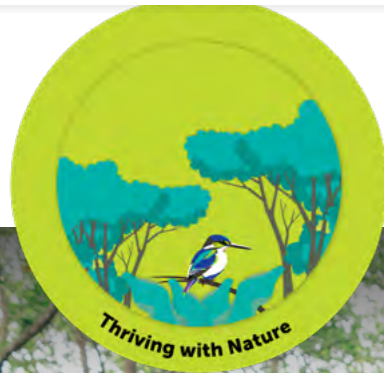
Sustainability Impact

Through our commitment to NZCE by 2050, we are translating climate commitments into tangible, enterprise-wide impact. Our efforts, highlighted in this section, strengthen emissions governance, embed climate considerations into operational and investment decisions, and improve the integrity and transparency of our emissions data. Together, they enhance our ability to manage climate-related risks, capture decarbonisation opportunities and support a resilient transition pathway for the Group.

By advancing emissions management across Scope 1, Scope 2 and material Scope 3 categories, scaling methane emission mitigation, and integrating transition and physical climate-related risk insights into business planning, we are reinforcing accountability and enabling informed decision-making across the organisation.

These efforts contribute to emissions reductions over time and build the foundations for consistent disclosure, stakeholder confidence and long-term value creation in a lower-carbon energy system.





Thriving with Nature

Supporting Nature-based Solutions through community stewardship to restore ecosystems.



Nature and biodiversity are fundamental to sustaining life and ensuring the resilience of ecosystems that support communities, economies and industries, including the energy sector. As a responsible energy company, PETRONAS recognises that our operations depend and have an impact on natural ecosystems, and we are committed to addressing our environmental footprint.

Our Material Topics

Nature and Biodiversity	115
Circular Economy and Resource Use	121
Environmental Management	125

NB Nature and Biodiversity

Why This Matters

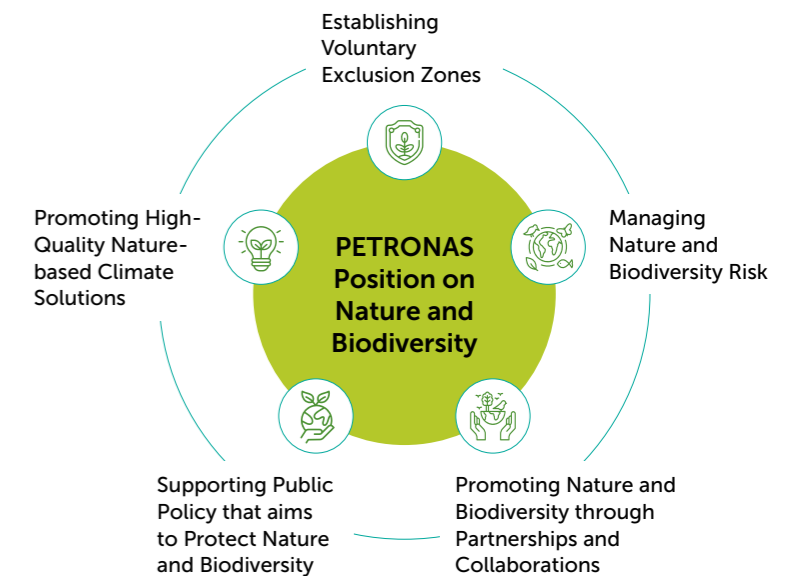
Healthy ecosystems provide essential services from healthy soils to clean water and a stable climate that sustain human well-being, livelihoods and economic activities. Disruption of any of these services, caused by biodiversity loss, could negatively impact many businesses, putting operations, supply chains and communities at risk. There is now a heightened stakeholder expectation for businesses to manage nature and biodiversity impacts.

We recognise that responsibly managing the impact of our operations on the environment is vital to maintaining long-term business continuity, strengthening resilience and creating enduring value.

Our Focus

We aim to contribute to a future in which nature is protected and restored by minimising our negative impacts on the environment and, where feasible, supporting the rehabilitation of ecosystems in areas within our operational control. In support of this, we incorporate biodiversity concerns into our project planning and asset management. This also strengthens our ability to protect infrastructure and mitigate climate-related physical and transitional risks. Our efforts are guided by the Kunming-Montreal Global Biodiversity Framework and are informed by international and national developments.

The PETRONAS Position on Nature and Biodiversity sets out our commitments and approach to nature-related impacts associated with our activities and supports the delivery of our Net Zero Carbon Emissions (NZCE) by 2050 Pathway. It establishes a clear framework for us to integrate biodiversity considerations into our strategy, governance, and daily business practices.



Scan the QR code to view Thriving with Nature.

Our Approach

In line with international best practices, our approach to managing nature and biodiversity impacts is guided by the mitigation hierarchy.

				Net positive impact	Additional conservation actions	
			Residual impact	Offset	Offset	
+ Biodiversity values	Biodiversity impact	Biodiversity impact	Biodiversity impact	Biodiversity impact	Offset	
					Restoration	Restoration
					Minimisation	Minimisation
-	Avoidance	Avoidance	Avoidance	Avoidance	Avoidance	

Note: Image adapted from the UN Global Compact and IUCN 2012 Publication: A Framework for Corporate Action on Biodiversity and Ecosystem Services.

Thriving with Nature

The PETRONAS Board exercises oversight of nature-related matters through their integration into the Board’s strategic deliberations and decision-making processes. In 2025, the Board was informed of the PETRONAS Nature Positive targets, by formalising medium- and long-term targets to support accountability and track progress. These targets provide clearer direction for embedding nature and biodiversity considerations into decision-making, project delivery and long-term transition planning across the Group.

PETRONAS Nature Positive Targets

- **No net loss of biodiversity for existing operations**
 - By 2030, we aim to have Biodiversity Action Plans for all existing sites within our operational control rated ‘Very High’ or ‘High’ risk, which include measures for ecosystem rehabilitation.
 - From 2030, we aim to maintain the habitat size for all sites within our operational control located in protected areas and/or key biodiversity areas. Where not feasible, we establish comparable areas to substitute the loss.
 - From 2030, our decommissioning plans or equivalent documents, will include ecosystem rehabilitation measures for operations/projects in protected areas and/or key biodiversity areas.
- **Net positive impact on biodiversity for new projects**
 - From 2024 onwards, we aim to demonstrate Net Positive Impact for all new projects in protected areas and/or key biodiversity areas.
 - For these projects, we pledge to demonstrate at least 30 per cent rehabilitation of natural habitat by 2050.

Our Progress

We strengthened our approach to nature and biodiversity by operationalising the PETRONAS Position on Nature and Biodiversity through the introduction of Nature Positive targets, supported by practical initiatives and enhanced internal awareness. These targets clarify how we contribute to protecting and restoring nature, including ambitions such as No Net Loss and, where appropriate, Net Positive Impact.

We prioritised initiatives that centre on managing biodiversity-related risks, supporting ecosystem rehabilitation and restoration, strengthening the evidence base for Nature-based Solutions (NbS) and embedding nature considerations into the energy transition.

A Taskforce on Nature-related Financial Disclosure (TNFD) gap assessment was undertaken in 2025 to evaluate our alignment with the TNFD’s recommendations. Moving forward, as we mature our approaches, we will focus on strengthening identified priorities and take actions on how TNFD could support the attainment of our objectives.

Collectively, these initiatives demonstrate how we translate strategic commitments into tangible, on-the-ground action that delivers value and enhances resilience.

Establishing Voluntary Exclusion Zones and Managing Nature and Biodiversity Risks



From January 2024 onwards, PETRONAS has committed not to undertake new operations within UNESCO World Heritage Sites. To ensure this, we use the Integrated Biodiversity Assessment Tool (IBAT) and the UNESCO World Heritage Online Map Platform during early-stage assessments. We also prioritise proximity screening to Protected Areas and Key Biodiversity Areas, which hold internationally recognised biodiversity value.

Over the past year, we have strengthened our management of nature and biodiversity through early reviews and risk-based assessments for both new projects and existing operations. These measures help us identify potential biodiversity considerations at the outset and determine where additional management actions may be required.

For existing operations, we assess biodiversity and ecosystem services risks and dependencies through a structured risk assessment process, namely the Biodiversity and Ecosystem Services Risk Assessment (BESRA). This begins with risk profiling based on desktop assessment on location and operational activities, followed by risk validation to evaluate existing mitigation measures, which may include on-site validation. Biodiversity Action Plans (BAPs) are developed for sites classified as ‘High’ or ‘Very High’ risk.

For new projects identified through proximity screening as being located within Protected Areas and Key Biodiversity Areas, Biodiversity Action Plans will be developed with the aim to achieve Net Positive Impact.

2025 Progress

Screened
200
proposed project sites against UNESCO World Heritage Sites, confirming no overlap with protected heritage areas.

Identified
1
project progressing to the development stage that may require a Biodiversity Action Plan to achieve Net Positive Impact, from 200 potential new project locations screened against Protected Areas and Key Biodiversity Areas.

In 2024-2025, we conducted risk-profiling for
105
existing international operational assets. Two sites were classified as ‘High’ or ‘Very High’ risk and are undergoing risk validation. Where risks remain elevated, Biodiversity Action Plans will be developed.

We initiated a periodic review of biodiversity risk assessments across our Malaysia operations, which is scheduled to conclude in 2026.

PETRONAS Existing International Operations¹ Within and Near Protected Areas and Key Biodiversity Areas

For operations located within Protected Areas and Key Biodiversity Areas, we plan to establish baseline assessments of habitat size before 2030 and embed ecosystem rehabilitation measures into decommissioning environmental plans.

Type of Area Important for Biodiversity ^{2,5}	Within the Boundary	Near (within 10km) ⁶
Protected Areas ³	2	20
Key Biodiversity Area ⁴	3	13

Notes:

- ¹ PETRONAS operations refer to operating sites with operational control.
- ² Operating sites may be located within and/or near more than one type of area that is important for biodiversity. Where multiple types of biodiversity important areas occur within and/or near an operating site, the site is counted once under each relevant area type.
- ³ A Protected Area is a clearly defined geographical space that is recognised, dedicated and managed to achieve long-term conservation outcomes (Convention on Biological Diversity).
- ⁴ A Key Biodiversity Area is a site that contributes significantly to the global persistence of biodiversity (IUCN).
- ⁵ The assessment is conducted using the Integrated Biodiversity Assessment Tool (IBAT), developed by the IBAT Alliance (BirdLife International, Conservation International, UNEP-WCMC and IUCN).
- ⁶ For assessment purposes, PETRONAS defines ‘near’ as within 10 km of a designated Protected Area or Key Biodiversity Area.

Promoting Nature and Biodiversity through Partnerships, Collaborations and Public Policy Support



In 2025, PETRONAS, Yayasan PETRONAS and the Mercedes-AMG PETRONAS Formula One Team launched the Blue Carbon Collective, a five-year, multi-party initiative.

To strengthen research into mangroves, PETRONAS established a formal collaboration between Universiti Putra Malaysia and University of São Paulo, uniting tropical expertise from Malaysia and Brazil, two biodiversity rich nations. This South–South partnership aims to deepen scientific understanding, accelerate innovation and elevate the critical role of mangroves in climate resilience and Nature-based Solutions. The research will examine the impacts of land-use change, quantify carbon stocks and stabilisation mechanisms, assess soil quality indices and plant physiology, as well as monitor biodiversity dynamics within mangrove ecosystems.



The officiating ceremony of the Blue Carbon Collective held at the inaugural Energy and Nature Forum in June 2025.

Thriving with Nature

Advancing Research and Development

The Blue Carbon Collective aims to advance scientific understanding of carbon dynamics and ecosystem health in mangrove ecosystems, improve biodiversity outcomes and support science-backed restoration and conservation.

2025 Progress

- Universiti Putra Malaysia and University of São Paulo concluded a memorandum of understanding to cement research collaboration.
- Signed a research collaboration agreement with Mercedes-Benz Grand Prix and Universiti Putra Malaysia.

Building a Resilient Community

Restoration projects under the Blue Carbon Collective are designed to be locally led, with training and resources provided to surrounding communities. The association is largely made up of members from low-income communities, who may benefit directly from additional income streams generated through these planting initiatives. This initiative is expected to generate employment, enhance the capacity of community nurseries and support community members to establish, operate and manage nurseries to help foster long-term stewardship of natural resources.

Strengthening Restoration and Conservation

The Blue Carbon Collective supports Yayasan PETRONAS' One Million Trees Programme, an ecosystem restoration and community development initiative that will see 100,000 mangrove saplings planted at Sungai Santi Forest Reserve in Johor, Malaysia.

2025 Progress

- Around 40,000 mangrove saplings planted.
- High survival rate of around 86 per cent.
- Established new community nurseries to cultivate seedlings for the project and beyond.



Advancing mangrove restoration through community-led planting to strengthen coastal resilience and biodiversity.



Scan the QR code to find out more in the Information Booklet

Energy and Nature Forum 2025

Integrating nature considerations into strategies, decision-making and infrastructure design supports the development of energy systems that are mindful of both people and ecosystems, contributing to broader efforts in reducing biodiversity loss across the energy value chain.

PETRONAS convened partners and stakeholders at the Energy and Nature Forum 2025, a first-of-its-kind three-day event focusing on leadership to integrate nature considerations into the energy transition. The Forum convened over 300 leaders and practitioners from over 20 countries from the energy sector, government, civil society and academia. The engagement explored the links between energy systems and natural ecosystems, and how nature-related considerations can influence business models, innovation and investment decisions. The Forum encouraged cross-sector collaboration and the participation of Indigenous Peoples' representatives.

The Forum concluded in a high-level communiqué that highlighted the need for clear nature-related targets and the use of digital technologies and artificial intelligence (AI) in tracking and delivering measurable outcomes, informed by the Kunming-Montreal Global Biodiversity Framework. To build on the momentum, the Energy and Nature Forum communiqué was further deliberated at a side-event of the International Union for Conservation of Nature (IUCN) World Conservation Congress 2025, in Abu Dhabi, United Arab Emirates.

The Energy and Nature Forum 2025 helped drive alignment and action through:

- Strengthening shared understanding of the interconnections between energy systems and nature, and their implications across the energy value chain.
- Advancing shared ambition to integrate biodiversity and ecosystem considerations into business, innovation and investment decisions throughout project life cycles.
- Encouraging more coordinated, whole-of-society collaboration, including partnerships with Indigenous Peoples and local communities, aligned with the Kunming-Montreal Global Biodiversity Framework.
- Extending the energy and nature dialogue into global policy platforms through continued engagement at the IUCN World Conservation Congress 2025.



Scan the QR code to visit our official website.



Scan the QR code to view the post-event video.

Promoting High-Quality Nature-based Climate Solutions



Natural ecosystems play a critical role in supporting global net zero carbon emission ambitions. Protecting and restoring forests, mangroves and other carbon-rich landscapes can complement emissions reduction efforts, while contributing to biodiversity conservation and community well-being.

As part of PETRONAS' commitment to achieve NZCE by 2050, we recognise the interlinkages between natural ecosystems, operational resilience and long-term sustainability. NbS form part of our NZCE by 2050 Pathway. We intend to commence voluntary setting of residual Scope 1 and Scope 2 emissions through the procurement of, investment in and origination of high-integrity carbon credits. Our strategy is to build a diversified portfolio anchored in forest and mangrove conservation and restoration, as well as regenerative agriculture, complemented by other credible solutions that deliver measurable and durable climate outcomes. We prioritise environmental integrity, permanence and alignment with recognised certification standards. We also seek to ensure that carbon benefits are accompanied by biodiversity protection, equitable benefit sharing and meaningful engagement with Indigenous Peoples and local communities.

We focus on strengthening the domestic NbS ecosystem, complemented by selective participation in high-quality international opportunities. In 2025 and leading into 2026, progress was demonstrated in Malaysia and internationally through the Kuamut Rainforest Conservation Project offtake agreement and Brazil Innovation Challenge on Nature-based Solutions.

Kuamut Rainforest Conservation Project

We have made a strategic commitment to the Kuamut Rainforest Conservation Project, a NbS carbon project in Malaysia that is registered and issuing carbon credits. Located in Sabah, Malaysia, the project focuses on protecting and restoring degraded tropical rainforests, delivering climate-mitigation outcomes while conserving biodiversity and strengthening ecosystem resilience. The project is implemented through a long-term forest concession collaboration with Yayasan Sabah, a state-owned foundation with a mandate to support community well-being, alongside other local implementation and community partners, and includes sustainable livelihood programmes and inclusive engagement with local communities.

This engagement supports PETRONAS' approach to sourcing high-integrity carbon credits and contributes to the further development of the NbS ecosystem in Malaysia.

Thriving with Nature

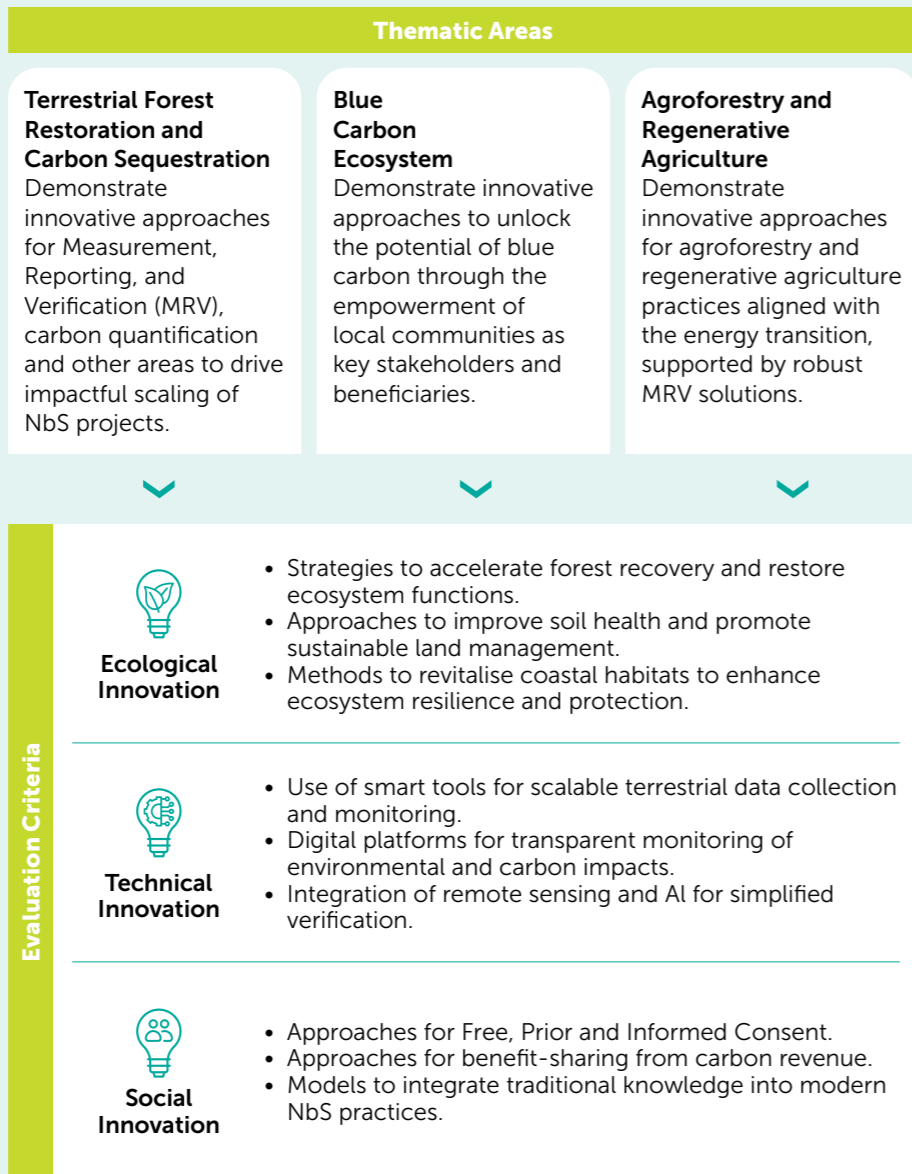
Brazil Innovation Challenge: Turning Nature into Climate Solutions

In November 2025, PETRONAS launched the Brazil Innovation Challenge, an initiative to invest in innovative NbS across forests, blue carbon and regenerative agriculture in Brazil.

The Challenge builds on PETRONAS Brazil's research, development and innovation investments in NbS since 2023. Enabled by Brazil's National Agency for Petroleum, Natural Gas and Biofuels within the ambit of energy transition, the Challenge invites universities, startups and developers to submit project studies with tangible environmental and social benefits, including greenhouse gas emissions reductions and removals through the conservation, protection, restoration and sustainable management of natural ecosystems.

From 2026 to 2029, selected studies are expected to develop scalable approaches supported by robust monitoring and inclusive community engagement, and to demonstrate potential pathways to high-integrity carbon credits.

As of early 2026, the Challenge received a total of 101 proposals across three thematic areas, reflecting strong participation from the Brazilian ecosystem, including universities, companies and public-private institutions. Shortlisting and award decisions are expected to be completed in 2026.



Sustainability Impact

Nature and biodiversity are critical to PETRONAS' long-term resilience and value creation. In 2025, we strengthened our approach through medium- and long-term target setting, biodiversity screening and assessments, internal capability building and strategic collaboration. We also advanced NbS as part of our NZCE by 2050 Pathway, supporting measurable climate outcomes while contributing to nature and communities.

CER Circular Economy and Resource Use

Why This Matters

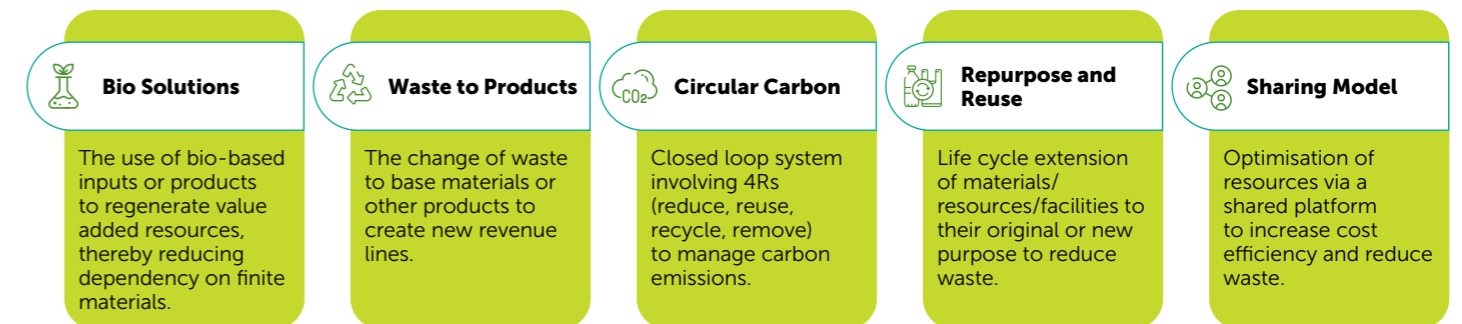
Circular economy and resource use focus on keeping materials, water and other inputs in use for as long as possible through better efficiency, reuse and recovery, rather than the traditional 'take-make-dispose' approach. This helps reduce the consumption of natural resources and lowers the amount of waste and by-products generated from operations. Around the world, circular economy practices are becoming an increasingly important expectation within sustainability standards and regulatory frameworks, as economies transition toward more responsible and resource-efficient models.

For PETRONAS, this is relevant because our operations use substantial amounts of resources, chemicals and specialised materials while also generating waste streams and by-products. By enhancing how we use, recover and reuse resources, we can reduce waste, make better use of materials, lower our dependence on freshwater in water-stressed areas and strengthen the reliability of our operations and supply chains.

Our Focus

We apply the PETRONAS Five Approaches to Circular Economy to operationalise our circular economy and resource use targets. These approaches establish a structured framework for the management, recovery and the repurposing of materials, natural resources, carbon and by-products.

PETRONAS Five Approaches to Circular Economy



Scan the QR code to view Thriving with Nature

Our Approach

We focus on strengthening circularity across our operations and value chain by improving how water, materials and waste streams are managed. This means reducing reliance on freshwater and virgin inputs, recovering useful value from by-products and waste, and keeping resources already within our system in productive use for longer. Through reuse, recovery, recycling and process optimisation, we aim to close resource loops and reduce losses at every stage of our activities.

To reinforce this circular approach, PETRONAS established resource efficiency targets for Malaysia operations in 2025. These targets define performance expectations toward 2030 and strengthen our accountability for water stewardship, material efficiency and waste circularity across our operations.

PETRONAS Resource Efficiency Targets

<p>Waste</p> <p>82% circularity rate for hazardous waste by 2030.</p>	<p>Water</p> <p>14% reduction in freshwater withdrawals by 2030 for domestic operations in water stressed areas.</p>
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Thriving with Nature

Our Progress

As part of ongoing resource efficiency efforts, circular practices have been integrated into operations by improving how materials and water are sourced, used and managed throughout their life cycle. By streamlining processes and removing unnecessary inputs early on, we continue to support steady improvements in waste reduction and water management.

Turning Used Cooking Oil into Future Fuel



We are developing sustainable feedstock sources to support lower-carbon fuels and Sustainable Aviation Fuel (SAF) production, including preparation for the biorefinery in Pengerang Integrated Complex, Johor, Malaysia, which is targeted to begin operations in 2028.

Within this broader agenda, the Used Cooking Oil (UCO) Collection Initiative contributes to this effort by recovering waste cooking oil as a valuable, locally-sourced circular feedstock. Instead of being discarded into drains, landfills or waterways, used cooking oil is collected and prepared for processing into bio-based fuels. This initiative strengthens responsible waste management practices across Malaysian communities.

PETRONAS' retail stations serve as collection points nationwide, supported by community outreach and institutional participation. The programme connects households and businesses to a circular value chain and establishes a dependable local used cooking oil feedstock stream.

2025 Progress

749 tonnes

of used cooking oil collected nationwide.

100

PETRONAS' retail stations operated as collection points.

More than

332,000

individuals reached through participation and community outreach.

RM2.2 million

cashback returned to households, institutions and participating organisations.

Since its start in 2023, the initiative has demonstrated strong year-on-year growth. The used cooking oil collection volumes increased from approximately 132 tonnes in 2023 to 749 tonnes in 2025, representing a nearly six-fold increase. The number of our retail stations participating in the programme expanded from three stations in 2023 to 100 stations in 2025, while community participation grew from approximately 30,000 individuals in 2023 to over 332,000 individuals in 2025, representing an almost tenfold increase.

Advancing Circular Operations through Innovative Recovery Solutions



Subsea pipelines rely on monoethylene glycol (MEG) to prevent hydrate formation and ensure safe hydrocarbon flow. This requires a continuous supply of lean MEG (regenerated MEG suitable for use), leading to increased consumption over time.

To reduce reliance on fresh MEG, we adopted a repurpose and reuse approach by recovering and regenerating additional rich MEG (used MEG containing water and impurities) for continued use in the system. Excess rich MEG was collected, concentrated in an evaporation pond, filtered and routed back to the MEG Regeneration Unit using existing infrastructure. This process restored the rich MEG to lean MEG for continued operational use.

Through this approach, 3,399 cubic metres of rich MEG were processed, resulting in the recovery of around 1,580 cubic metres of fresh MEG equivalent and avoiding nearly USD2.0 million in procurement costs. Extending the usable life of this critical input reduced overall chemical demand while maintaining safe and reliable pipeline operations. The regeneration loop effectively transformed rich MEG from a consumable input into a managed, circulating resource within the facility.



Rich and lean MEG storage tanks supporting MEG regeneration, storage and reinjection to maintain effective hydrate control in the pipeline system.

Thriving with Nature

Advancing Circularity through Waste Recovery

Across our domestic operations, we prioritised reducing hazardous waste upstream through process optimisation and improved material efficiency, reducing reliance on downstream treatment and disposal while improving material productivity across our assets.

Reuse, recycling and recovery initiatives expanded, increasing the proportion of hazardous waste diverted from disposal and keeping waste streams in productive use as a recoverable resource.

Circularity efforts also extended across the value chain. Collaboration with suppliers focused on more sustainable packaging, improved material recovery and closed-loop practices. These initiatives reduced waste generation beyond our direct footprint and enhanced material flow efficiency across the broader ecosystem.

Based on a five-year running average, performance improved by 4 per cent, reflecting steady progress towards the Group's 2030 target and reinforcing our commitment to responsible waste management and sustainable resource stewardship.

[Refer to Environmental Management for more details on waste management on pages 125 to 131.](#)

Improving Resource Use through Water Efficiency

During the year, conservation initiatives implemented across selected assets included process optimisation and alternative sourcing solutions, promoting water circularity, particularly in water-stressed areas. The freshwater utilised in our operations is sourced from rivers, where 76 per cent is withdrawn from non-water stressed regions.

Supported by water stress mapping and global risk assessment tools, conservation efforts were prioritised to maximise environmental and operational impact to support the Group's target of a 14 per cent reduction in domestic water-stressed freshwater withdrawal by 2030.

[Refer to Environmental Management for more details on water management on pages 125 to 131.](#)

Strengthening Organisational Readiness

Beyond measurable outcomes, multi-stakeholder engagements strengthened organisational readiness for circular economy implementation. Through targeted workshops and forums, including the PETRONAS Hazardous Waste Circularity Workshop and Circular Economy Forum, internal teams and external partners aligned on high-impact opportunities and translated them into actionable plans supporting the 2030 targets.

More than 110 participants from Group functions, business divisions, operating units and external stakeholders took part in these sessions, creating a prioritised pipeline for future circularity and resource efficiency actions. We also continued assessing our international assets to identify where similar practices could be applied in different operating contexts.

Following the introduction of the Global Circularity Protocol (GCP) by the World Business Council for Sustainable Development during COP30 in Brazil, in November 2025, we continue to review our circularity approach and initiatives to align with the evolving international framework, guidance and industry best practices to create sustainable impact.

Sustainability Impact

Circular practices are progressively embedded into day-to-day operations and core business decisions, creating value that goes beyond operational efficiency. Recovery, reuse and alternative sourcing are increasingly managed as planned operational activities, lowering dependence on disposal capacity and replacement inputs.

Materials and water streams are increasingly managed as circulating resources within operations. This improves planning certainty, supports steadier execution across sites and reduces exposure to supply disruption, disposal constraints and water availability risks. The same practices also establish dependable recovery and feedstock pathways that support future lower-carbon fuel development.

EM Environmental Management

Why This Matters

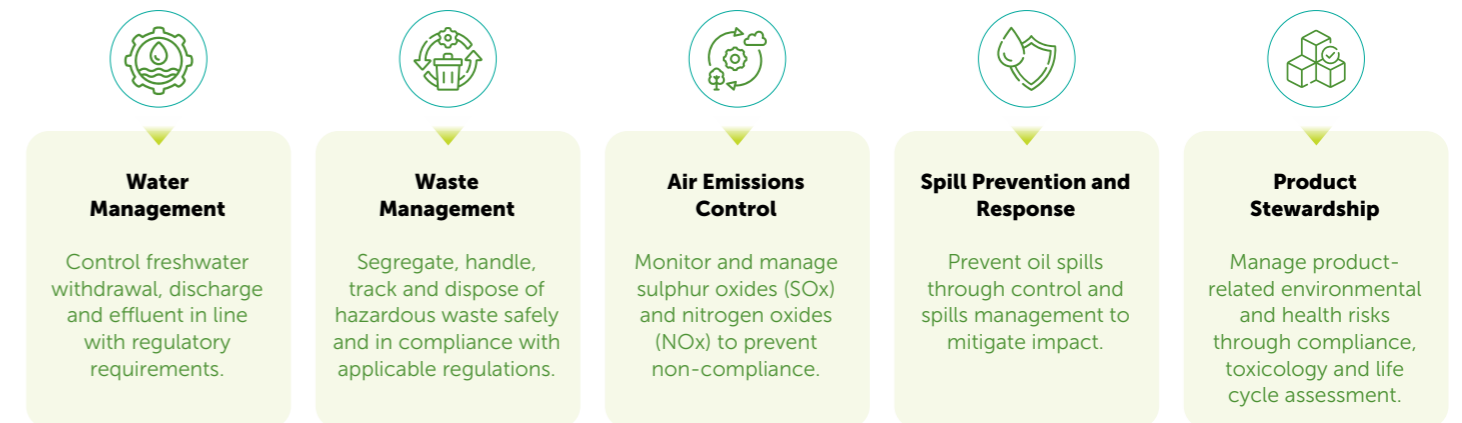
Environmental management supports the reliable and compliant operation of our assets by ensuring emissions, effluent, waste and spill risks are consistently controlled across diverse sites. Clear standards, monitoring systems and accountability enable us to apply environmental controls effectively in different operating conditions and various regulatory environments.

This discipline helps sustain operational continuity, manage compliance obligations and protect the communities surrounding our assets. As regulatory expectations increase and operations span varied environments, consistent oversight and monitoring remain essential to maintaining stakeholder confidence and stable performance.

Our Focus

We focus on managing environmental and product-related impacts across our operations by controlling how water, waste, air emissions and spill risks are handled, while ensuring product-related environmental and health risks are addressed throughout the product life cycle. These areas represent where environmental risks most directly arise from our activities and products, requiring consistent oversight to maintain compliance and operational reliability.

Environmental Management Key Focus Areas



Our Approach

Environmental management at PETRONAS is guided by our Health, Safety and Environment (HSE) Policy and implemented through the HSE Management System (HSEMS) which is aligned with the ISO 14001:2015 and 45001:2018. This framework establishes consistent standards, governance and accountabilities to identify, assess and control environmental risks arising from our operations and products.

Our approach is further informed by internationally recognised frameworks and guidelines, including those issued by Ipieca and the International Association of Oil & Gas Producers; the World Bank Group Environmental, Health, and Safety Guidelines; as well as applicable host country standards for the design and operation of pollution prevention and control equipment. Disclosures are aligned with the GRI Standards.

Thriving with Nature

We apply a risk-based Environmental Management approach to manage impacts from water use, waste generation, air emissions and spill risks, while also assessing product-related environmental and health risks across the product life cycle through our product stewardship practices.

Our approach is supported by:

1	2	3	4	5
Standardised environmental controls across water management, waste management, air emissions control and spill prevention.	Product stewardship integration, assessing environmental and health risks throughout product development, manufacturing and end use.	Digital monitoring systems, including the Environment, Social Performance and Product Stewardship Integrated and Centralised System (EPICS) and the PETRONAS Continuous Emissions Monitoring System (CEMS).	Assurance and continuous improvement through audits, performance reviews and corrective actions under the Plan-Do-Check-Act cycle.	Shared accountability across our operating ecosystem, with environmental expectations extended to contractors, suppliers and partners.

Our Progress

During the year, we strengthened how environmental management translates into day-to-day operational discipline across water, waste, air emissions and spill prevention, while advancing product stewardship practices to better manage environmental and health risks associated with our products. We advanced enterprise-wide controls through clearer governance, more consistent standards across operating units and contractors, and wider use of digital systems to improve monitoring, traceability and decision-making. Product stewardship considerations were further embedded into research and development, and regulatory compliance processes, strengthening how product-related risks are assessed early in the product life cycle.

Progress in hazardous waste recovery, freshwater use reduction and air emissions control reflects a shift from compliance-driven actions to more systematic risk management embedded in operations. These efforts improved visibility of environmental performance, supported regulatory readiness and reduced exposure to incidents and remediation, while recognising that site-specific constraints and project timing continue to influence the pace of improvement in certain locations.

2025 Key Highlights

<p>Freshwater Withdrawal¹</p> <p>2025 76.7 ▼ (2024: 82.6) million cubic metres</p>	<p>Hazardous Waste Sent for Reuse, Recycling and Recovery¹</p> <p>2025 62,828 ▲ (2024: 58,583) tonnes</p>	<p>Sulphur Oxides Emissions 2025 52,681 ▼ (2024: 59,400) tonnes</p> <p>Nitrogen Oxides Emissions 2025 109,642 ▲ (2024: 92,017) tonnes</p>	<p>Number of Hydrocarbon Spills into the Environment over One Barrel²</p> <p>2025 ZERO ▼ (2024: 10) spillage</p>
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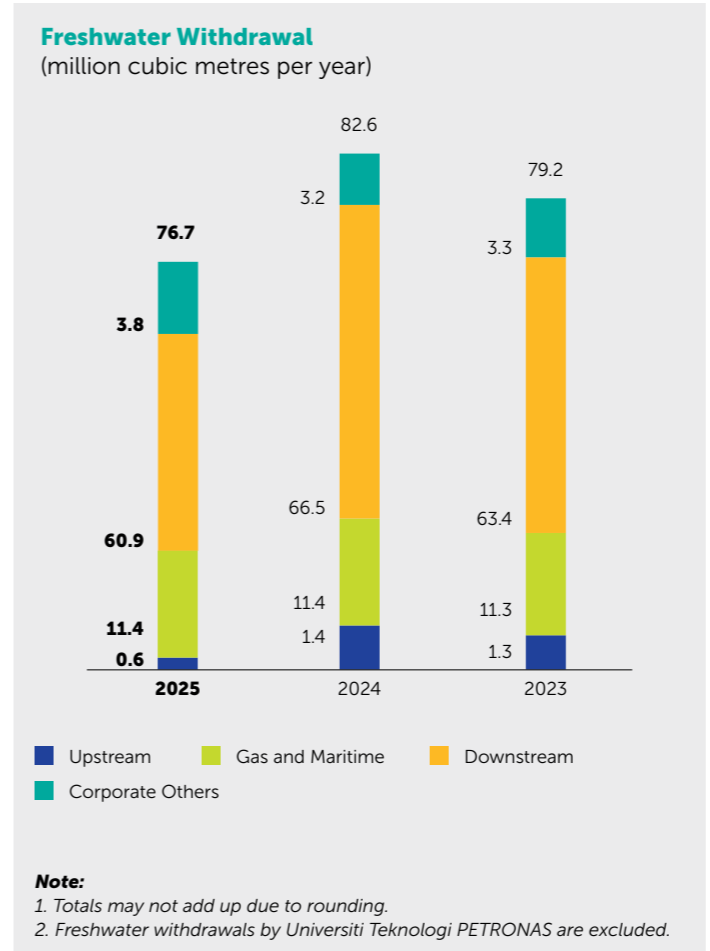
Notes:
1. Freshwater withdrawals and hazardous waste-related data by Universiti Teknologi PETRONAS are excluded.
2. One barrel is equivalent to 159 litres.

Water Management



Managing water responsibly across our operations requires close control of how freshwater is withdrawn, used and discharged back into the environment. Water withdrawal is tracked by source, including surface water, groundwater and third-party supply, to understand site-specific risks and apply appropriate controls, particularly in water-stressed locations. Effluent from operations is treated and continuously monitored to ensure discharged water meets regulatory quality standards and does not adversely affect surrounding environments.

In 2025, total freshwater withdrawal reduced to 76.7 million cubic metres from 82.6 million cubic metres in 2024, reflecting improved monitoring, operational controls and targeted site-level initiatives in selected facilities. These efforts supported more structured and effective water management, particularly in locations where water availability remains a key operational constraint, while maintaining compliance with regulatory requirements.



Scan the QR code to visit Sustainability Performance Data for detailed information.

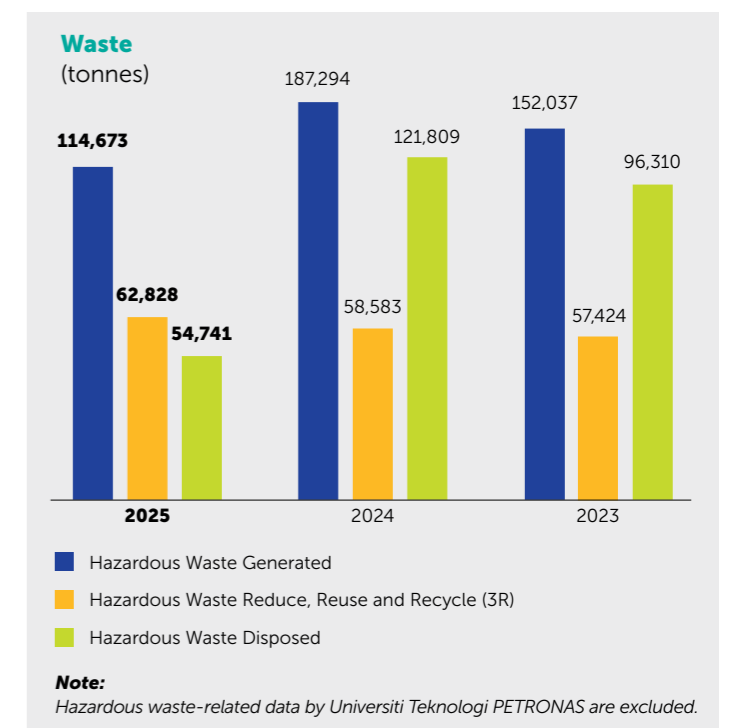
Waste Management



Managing hazardous waste requires consistent operational control, traceability and regulatory discipline across diverse sites. Our focus is on ensuring hazardous waste is properly segregated, handled and disposed of, in line with internal standards and regulatory requirements, supported by stronger governance and digital oversight.

During the year, we strengthened how hazardous waste is monitored and controlled through EPICS, which serves as a unified, end-to-end hazardous waste management platform and centralises waste data across operations, exemptions and offshore deliveries.

Standardised segregation practices, clearer contractor controls and improved workflows strengthened how hazardous waste is managed across operating units. In 2025, total hazardous waste generated decreased to 114,673 tonnes, compared with 187,294 tonnes in 2024, reflecting improved operational planning and waste minimisation efforts across selected facilities. At the same time, 62,828 tonnes of hazardous waste were reused, recycled or recovered, while 54,741 tonnes were disposed of, indicating continued progress in directing waste toward recovery pathways where feasible. These results demonstrate stronger operational discipline in waste handling while maintaining regulatory compliance and traceability across our operations.



Thriving with Nature

Air Emissions Control



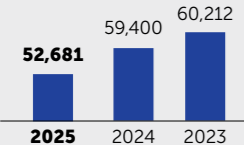
Managing air emissions requires continuous monitoring, prompt response and disciplined operational control to ensure pollutant releases remain within regulatory limits. By combining real-time data with predictive controls, we enhanced our ability to detect deviations early and take corrective action before breaches occur, supporting safe, compliant and resilient operations.

During the year, the PETRONAS Continuous Emissions Monitoring System (PCEMS 2.0) was deployed across major facilities to continuously monitor sulphur oxides (SOx) and nitrogen oxides (NOx) emissions using real-time sensors and analytics. Integration with process automation enables alerts and operational adjustments, such as combustion optimisation, fuel mix adjustments and activation of control equipment when required. These enhancements strengthened our ability to intervene early and maintain emissions within regulatory thresholds, supporting more consistent emissions management across our assets.

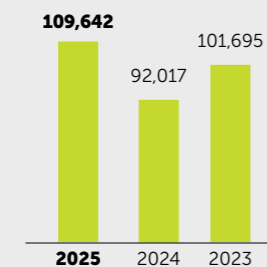
Air emissions are managed through established operational controls and performance monitoring frameworks, in accordance with applicable regulatory requirements. These measures bolstered regulatory compliance, reduce the risk of exceeding regulatory limits and potential environmental and health impacts on communities near our operational sites.

In 2025, NOx emissions increased, mainly due to turnaround activities and unplanned shutdowns that led to higher flaring at some petrochemical plants, as part of managing process safety and maintaining asset integrity during major maintenance cycles. Air emissions are managed through established operational controls and performance monitoring frameworks, in line with regulatory requirements.

Sulphur Oxides Emissions (tonnes)



Nitrogen Oxides Emissions (tonnes)



Spill Prevention and Response

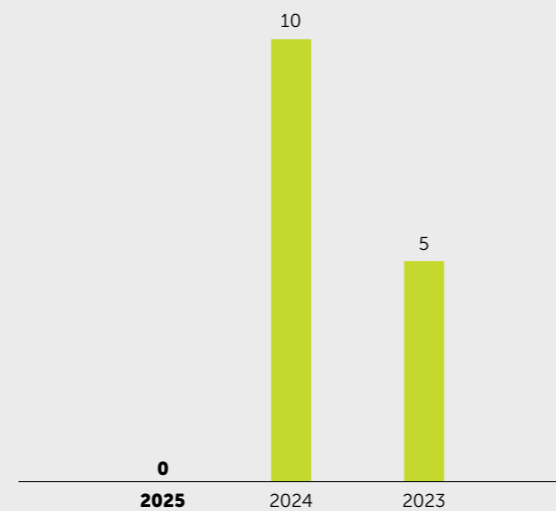


Spill risks are mitigated through preventive controls, continuous monitoring and response readiness across our operations. Asset integrity, engineering safeguards and competent personnel reduce the likelihood of releases, supported by procedures and on-site capability for early detection and containment.

Response capability was further enhanced through a structured preparedness programme. This included collaboration with regulators and industry partners through oil spill management, spill impact mitigation assessments and geographical response planning. Preparedness was also enhanced through strengthened requirements under our technical guidelines for oil spill management.

Continuous improvement remains central to our approach. Incident investigations, drills and lessons learnt are used to strengthen procedures, readiness and coordination across sites. Hydrocarbon spill incidents greater than one barrel decreased from 10 cases in 2024 to zero in 2025, reducing the risk of environmental harm and reinforcing operational discipline.

Number of Hydrocarbons Spills into the Environment over One Barrel



Note:
One barrel is equivalent to 159 liters.

Environmental Management in Practice: Preparing for Safe and Compliant Operations in Brazil

In preparation for drilling activities in Brazil, PETRONAS Petróleo do Brasil Ltda. (PPBL) commenced Environmental Management preparation well in advance of operations. This encompassed structured studies, monitoring and stakeholder engagement to ensure all risks were understood, assessed and controlled in line with the country's stringent environmental and regulatory requirements.

To operate Block C-M-661 (MOLA-1 well), PPBL worked closely with the Brazilian Institute of Environment and Renewable Natural Resources (Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis), the National Agency of Petroleum, Natural Gas and Biofuels (Agência Nacional do Petróleo, Gás Natural e Biocombustíveis), the Ministry of Labour and Employment (Ministério do Trabalho e Emprego) and the National Health Surveillance Agency (Agência Nacional de Vigilância Sanitária), together with other authorities overseeing Health, Safety, Security and Environment matters. In this effort, the team managed more than 2,300 legal requirements with regular monthly reviews and quarterly reporting.

Federal licensing required comprehensive Environmental Impact Studies and Reports, together with detailed technical assessments. By anticipating these requirements early, PPBL secured its licence six months before drilling began, an uncommon outcome in Brazil's stringent context. The Permit to Operate imposed 25 environmental conditions to guide safe and responsible execution.

Environmental controls were also visible on the ground. Teams underwent environmental education training, drilling fluids and cuttings were monitored through ecotoxicological testing, and proactive communication kept fishing communities and regulators informed throughout operations. A monitored 500-metre safety zone around the rig resulted in zero navigation interference incidents and no compensation claims.

In 2025, this approach was recognised as a benchmark during PETRONAS' Upstream Health, Safety and Environment (HSE) Regulatory Health Check. This experience shows how Environmental Management shapes operational readiness through early risk assessment, monitoring discipline and stakeholder engagement, enabling safe and compliant operations in complex environments.

Product Stewardship



We manage product-related environmental and health impacts by embedding product safety and regulatory compliance, toxicology, ecotoxicology and life cycle assessments across the product life cycle, from research and development through manufacturing, marketing and end use. This approach safeguards people and the environment while ensuring compliance with evolving regulatory requirements across diverse operating environments. Early and consistent assessments throughout development help reduce late-stage reformulation and delays in market access, while guiding the design of safer, lower-impact products that meet regulatory and customer expectations and support sustainable business growth.

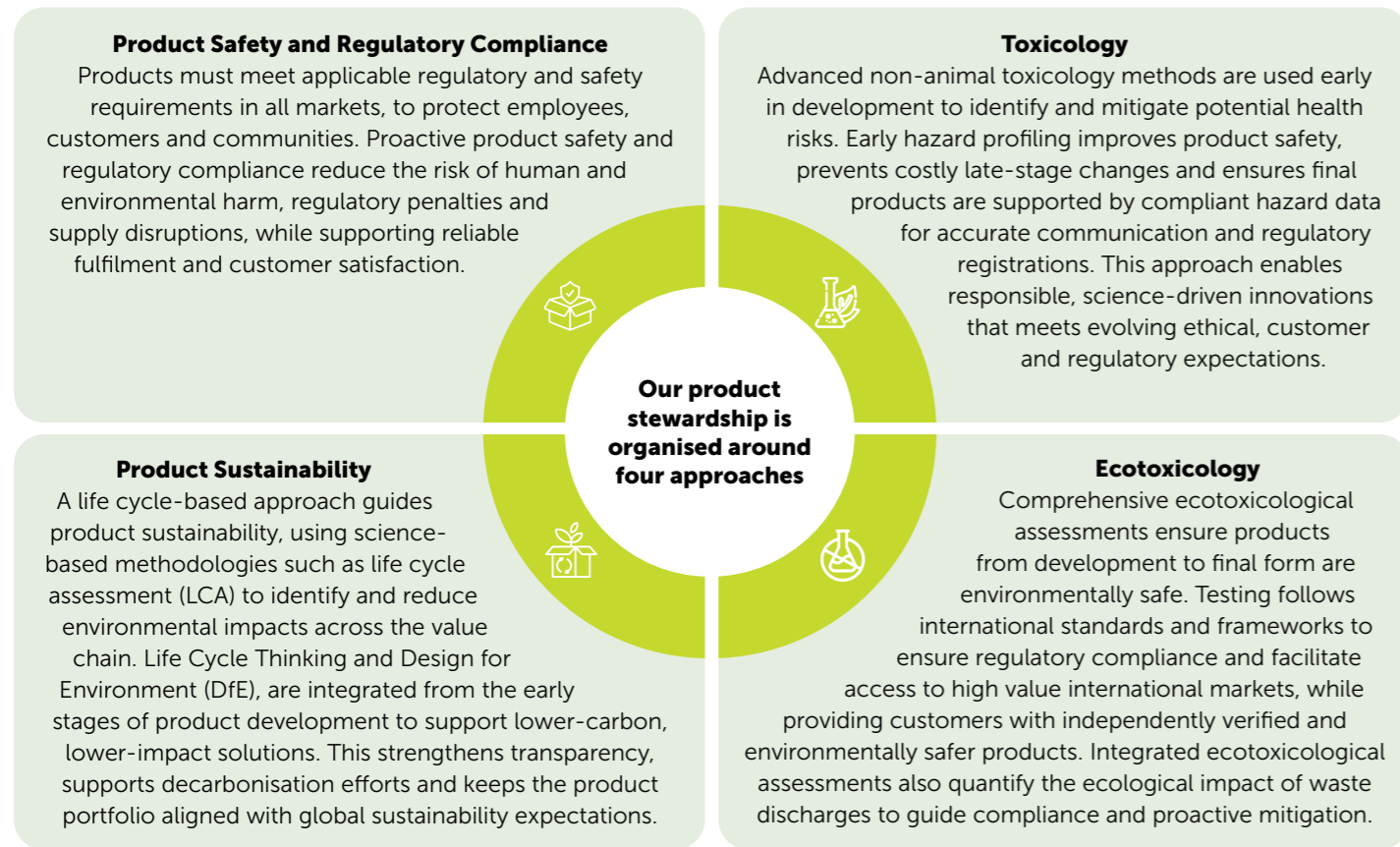


Assessing chemical research and development projects to identify and manage risks at the earliest (cradle) stage of the product life cycle.



Scan the QR code to visit Sustainability Performance Data for detailed information.

Thriving with Nature



In 2025, we strengthened product stewardship through deeper, systematic integration of regulatory compliance, toxicology, ecotoxicology and sustainability considerations across the product life cycle.



PETRONAS' in-house toxicity testing facility enables early hazard profiling during the research and development phase, enhancing product safety, minimising late-stage attrition and ensuring regulatory-compliant hazard data.

2025 Key Initiatives

<p>Product Safety and Regulatory Compliance</p>	<p>Product Compliance System Enhancement Advanced the migration from SAP ECC6 to SAP S/4HANA to strengthen the integrity and reliability of Safety Data Sheets (SDS) and labels. Successfully completed compliance module testing, positioning the organisation for a 2026 go-live with enhanced, standardised SDS and label management capabilities.</p> <p>Product Stewardship Embedment into Research and Development Projects Embedded product stewardship assessment criteria across all chemical research and development (R&D) projects. Initiated product stewardship assessments for 16 R&D projects, integrating risk management at the earliest (cradle) stage of the product life cycle to support safer and more sustainable product development.</p>
<p>Product Sustainability</p>	<p>Sustainable Product Development Completed life cycle assessments for key sustainable products, including Bio monoethylene glycol (BioMEG), Bio Polyol Ester, Recycled Plastic Modified Bitumen (RPMB) and bioemollients. Identified environmental hotspots and improvement opportunities to inform R&D decision-making and product optimisation.</p> <p>Renewable Energy and Fuels Conducted cradle-to-grave life cycle assessments for PETRONAS Dagangan Berhad biodiesel blends (B7, B10, B20). The studies were externally reviewed and validated, ensuring methodological robustness, credibility and compliance with international standards.</p>
<p>Toxicology</p>	<p>Integrated In-House Toxicity Testing Based on Non-Animal Approach Established in-house toxicology test methods based on non-animal approaches. Implemented early-phase toxicity testing for R&D products to proactively identify risks and reduce late-stage product attrition.</p>
<p>Ecotoxicology</p>	<p>Offshore Regulatory Market Access Achieved MG3DF Offshore Chemical Notification Scheme certification, securing regulatory approval and enabling expansion into selected offshore markets without the need for product reformulation.</p>

Sustainability Impact

Stronger environmental management reduces exposure to environmental incidents, regulatory non-compliance and remediation liabilities across operations. More consistent controls and monitoring help prevent pollution, limit air and water impacts and protect surrounding ecosystems and communities. These practices also strengthen business resilience by enabling PETRONAS to operate confidently across diverse regulatory environments.

Greater clarity around environmental requirements improves planning certainty, safeguards the licence to operate and reinforces stakeholder trust in responsible operations. Product stewardship extends these benefits beyond operations to the products themselves. Safer product design and rigorous environmental assessments reduce environmental and health risks while enabling compliance with international regulatory frameworks. This supports access to regulated markets, improves predictability in product approvals and creates long-term value by aligning product innovation with rising environmental expectations.



Fostering a Just Transition

The PETRONAS Just Transition Priorities are Future-Proofing the Workforce, Strengthening the Supply Chain and Supporting Community Resilience.



A just energy transition places people at the centre of change, ensuring that communities and livelihoods are supported as the energy landscape evolves across markets, industries and communities.

Our Material Topics

Human Rights	133
Human Capital	145
Sustainable Supply Chain	157

Fostering a Just Transition

The energy transition represents a transformative shift towards cleaner energy systems on a global scale. This transition will impact all aspects of society, including the ways we produce, distribute and consume energy.

As technology becomes more accessible and new measures are implemented, the transition towards a lower-carbon economy will create new jobs and business opportunities, reduce pollution and atmospheric emissions. However, it also has the potential to disrupt existing labour markets across the entire energy value chain.

Since our inception, we have steadfastly delivered on our mandate for nation-building and broader industrial ecosystem development, contributing to economic growth and societal progress.

The energy transition will unfold at different paces across countries, and efforts to support inclusive societal progress must advance alongside it. Respecting human rights throughout the energy transition fosters inclusive societies, promotes equitable social and economic growth, and helps prevent exploitation and discrimination.

We are dedicated to implementing PETRONAS Energy Transition Strategy in a manner that promotes a just transition that respects human rights and considers the needs of energy sector employees, suppliers and communities. By doing so, we aim to ensure that new investments lead to enhanced opportunities and improved prospects for these stakeholder groups.

PETRONAS Just Transition Priorities

- 1 Future-Proofing the Workforce**

[Refer to Future-Proofing the Workforce on pages 145 to 156.](#)
- 2 Strengthening the Supply Chain**

[Refer to Strengthening the Supply Chain on pages 157 to 162.](#)
- 3 Supporting Community Resilience**

[Refer to Supporting Community Resilience on pages 163 to 173.](#)

Human Rights - The Foundation

Respecting human rights across our operations and supply chains is fundamental to ethical and sustainable business practices at PETRONAS. Upholding human rights practices fosters trust, strengthens stakeholder relationships and promotes fair labour practices. Failure to address human rights risks can lead to human rights abuses, legal consequences, financial losses and reputational harm, ultimately impacting business resilience and long-term success.

HR Human Rights

Why This Matters

Human rights form the foundation of how we engage with our workforce, supply chain and communities. They guide how we manage the social impacts of our operations and shape our approach to fostering a just transition. We aim to support a just transition in which the shift towards a lower-carbon future takes place in a manner that respects human rights and considers the interests of employees, suppliers and communities connected to our operations.

Respecting internationally recognised human rights helps safeguard worker welfare, promote fair labour practices and responsible conduct across our supply chain and community engagements. Where human rights are not effectively managed, adverse impacts may occur, including labour rights infringements, unsafe working conditions or unethical practices that affect workers and communities, and may disrupt business continuity. Effective human rights management strengthens stakeholder trust, supports constructive partnerships and helps maintain our social licence to operate. As we advance our Energy Transition Strategy, these efforts help ensure progress towards a just transition.

Fostering a Just Transition

Our Focus

PETRONAS is committed to respecting all internationally recognised human rights, as set out in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We prioritise our efforts on human rights issues most relevant to operations, workforce, supply chain and the communities adjacent to PETRONAS' activities. These focus areas reflect how human rights considerations are integrated into business practices, strengthening due diligence, accountability and continuous improvement across operations and business relationships.



Our Approach

Our approach is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct, while complying with all applicable laws in countries in which we operate.

The Board-approved PETRONAS Human Rights Policy, effective April 2024, reinforces what we stand for in respecting and promoting human rights across our operations and supply chains. This Policy provides a clear steer for ethical and responsible practices, embedding human rights principles into our business.

The salient human rights issues identified are: responsible labour and working conditions, responsible supply chain, community well-being and responsible security.

Internal and external stakeholders, including employee representatives, national and regional human rights organisations and industry peers, were engaged in the development of the PETRONAS Human Rights Policy to help ensure that diverse perspectives and expectations were considered. Going forward, we will periodically review the Policy to maintain alignment with evolving internationally recognised standards and good practice in responsible business conduct.

PETRONAS takes a structured and principle-based approach to managing our human rights commitments. This approach is anchored in our Human Rights Policy and guided by key principles: respect for internationally recognised human rights; a risk-based approach to human rights due diligence to identify, prevent, mitigate and account for how we address impacts; access to effective grievance mechanisms and remedy; governance and oversight to support implementation; and transparent, Group-wide disclosure and reporting.

In accordance with the UNGPs, our approach is built on three core pillars: Policy, Due Diligence and Access to Remedy. These pillars guide how human rights considerations are addressed across our business activities and relationships.

Policy

Establish clear standards, accountability and oversight through the PETRONAS Human Rights Policy and supporting governance frameworks.

Due Diligence

Identify, assess and manage human rights risks across employees and suppliers, as well as affected communities, using data-driven insights, stakeholder engagement and ongoing monitoring.

Access to Remedy

Provide accessible and rights-compatible grievance mechanisms that enable fair resolution and continuous improvement.



Scan the QR code to visit PETRONAS Human Rights Policy for detailed information

Upholding Transparency: MISC's Ongoing Commitment to Addressing Modern Slavery

PETRONAS' shipping subsidiary, MISC, remains committed to addressing modern slavery and reinforces this through the annual publication of our Modern Slavery Statement, in alignment with the UK Modern Slavery Act 2015. The Statement provides transparency on our approach to identifying, assessing and managing modern slavery and human trafficking risks across operations and supply chains. The latest edition, approved by the Board, was published in April 2026.

Following the rollout of the MISC Human Rights Policy in 2024, human rights risk management was strengthened through expanded Human Rights Risk Assessments, enhanced third-party requirements, explicit human rights commitments under the Declaration of Integrity Pledge, and continued conducting awareness programmes for employees and third parties.

Active engagement with key stakeholders was maintained, including with industry partners and regulators, to stay abreast of evolving regulatory requirements and best practices. This is to ensure that our approach remains relevant, responsive and forward-looking.



With the theme 'Upholding Human Rights Values, Building Business Resilience', PETRONAS Human Rights Day 2025 provided space for leaders, human rights practitioners and staff members across various parts of the organisation to listen, reflect and act on the shared role in shaping PETRONAS' commitment to upholding human rights.

Our Progress

In 2025, we continued implementing the PETRONAS Human Rights Policy across the Group, focusing on salient issues related to employees, communities, workers in the supply chain and security operations. Efforts centred on strengthening governance coordination through the PETRONAS-internal Human Rights Command Centre, raising awareness on human rights due diligence and supporting the integration of human rights considerations into existing operational processes. We also worked to enhance visibility of grievance mechanisms and strengthen oversight of potential human rights risks, enabling a more consistent application of the Policy across the Group.

Responsible Labour and Working Conditions



The Group has an established people governance process to protect employee rights, dignity and well-being, while supporting capability development across the employment life cycle. This process applies throughout our operations, including during periods of organisational change.

Employee Due Diligence

Human rights risks affecting employees are identified, assessed and managed through dedicated due diligence processes, supported by access-to-remedy mechanisms, applied consistently across PETRONAS Group-wide operations.

Engagement with trade unions and employee representatives supports risk identification, and appropriate mitigation measures create safe spaces for continuous feedback as well as reduces the risk of dispute. Workforce and grievance indicators are monitored to inform management responses.

Fostering a Just Transition

Human rights risk prevention and mitigation measures continue to be implemented through policies and programmes that promote fair employment practices, safe working conditions, employee engagement, capability development and access to grievance mechanisms, supported by ongoing monitoring of workforce and grievance indicators to address potential concerns. Where concerns may arise, the respective Human Resources Business Partner coordinates the process for resolving cases and providing appropriate remedy where impacts occur.

Moving forward, PETRONAS is committed to further enhancing our risk identification and assessment in employee due diligence through established processes, including Social Risk Assessment, workforce analytics, employee feedback, engagement with trade unions and employee representatives, monitoring of grievance trends, and internal consultations with relevant functions.

Working Hours and Rest Days

We manage working hours in line with national labour laws and international human rights standards, supporting responsible working conditions and employee well-being. Average working hours are 42 hours per week for offshore and shift employees, and 39 hours per week for other employees.

Eligible employees receive two rest days per week across various work arrangements, including standard office hours and shift-based schedules, with at least one rest day per week in accordance with the Malaysian Employment Act.

In 2025, The Ministry of Human Resources has granted an exemption for 2,539 offshore employees due to operational requirements. Non-executive employees who work on rest days receive compensation in accordance with the terms of the collective agreement.

We comply with regulated working hours and monitor overtime to prevent excessive work and fatigue. In support of diverse workforce needs, flexible work arrangements, including working hours and work-from-home options, are available based on role suitability and business requirements. Access to these arrangements is implemented in a non-discriminatory manner, with participation tracked and reported by gender.

Collaborative Social Dialogue and Trade Union Engagement

PETRONAS upholds social dialogue and constructive stakeholder engagement on different aspects of the energy transition. Such efforts also help ensure fair labour practices amid workforce transformation efforts. We regard social dialogue as a critical enabler of a just and responsible energy transition.

We work closely with employees and trade unions through ongoing social dialogue, including structured engagement sessions, to discuss workforce-related implications of the energy transition. Key topics include capability needs, workforce adjustments, reskilling priorities and employee well-being. These engagements provide a platform to raise concerns, share perspectives and be informed of PETRONAS' workforce and transition plans.

This engagement continues during periods of change to support transition planning, with structured grievance mechanisms and capability-building initiatives reinforcing trust and industrial harmony.

In 2025, we conducted engagement sessions with trade union leaders and representatives to gather feedback on operational matters and workforce strategy. This ongoing engagement forms an important part of our Just Transition approach, helping to ensure worker perspectives inform responsible people practices and decision-making.

2025 Overview for Malaysia

5 trade unions covering almost 9,500 non-executive employees under a Collective Agreement, equivalent to 23 per cent of Malaysia-based staff. Total trade union membership stands at 8,458 members.

5 Collective Agreements were in force, covering employment terms and conditions.

64 engagement sessions were held with trade union representatives.

Note: Beyond Malaysia, PETRONAS recognises more than 20 trade unions and work councils across our global operations, collectively representing more than 800 employees.

Collaborative Social Dialogue

Our social dialogue engagement followed these four steps:

Impact Assessment: We shared relevant business case assessments with trade unions to identify potential implications for talent pipelines, particularly for employee groups covered by collective agreements.

Obtaining and Incorporating Feedback: Feedback gathered during the sessions was then used to refine talent management proposals, helping to keep workplace policies and reskilling pathways practical and responsive to workforce needs.

Management Review and Oversight: The proposals were subsequently reviewed and submitted for approval through PETRONAS governance process.

Coordinated Implementation: Implementation and communications were coordinated with trade union leaders and representatives to support transparency, manage potential grievances and maintain harmony.

Notice of Operational Changes

Collective agreements define notice periods and consultation processes, with each agreement running for three years and remaining valid until replaced. Either party may give three months' written notice to initiate renegotiation and any amendments require mutual agreement and submission to the Industrial Court. These arrangements ensure transparency, consultation and orderly change management.

Responsible Supply Chain



We rely on a large and diverse supplier base within the Oil and Gas Services and Equipment (OGSE) ecosystem to support operations and the energy transition. Many suppliers, particularly small and medium enterprises (SMEs), operate at uneven levels of maturity, with gaps in human rights awareness and data readiness, particularly in disclosure practices. Effective human rights management helps ensure workers are treated fairly and work in safe conditions, strengthening Health, Safety and Environment (HSE) performance, supporting operational continuity and reinforcing PETRONAS' compliance and stakeholder trust.

External expectations on human rights in supply chains continue to tighten. Globally, due diligence regulations such as the European Union Corporate Sustainability Due Diligence Directive extend human rights and environmental obligations into value chains, increasing scrutiny of supplier practices. In Malaysia, the National Action Plan on Business and Human Rights reinforces expectations that companies identify, prevent and address human rights risks arising from business relationships and value chains.

These dynamics shape PETRONAS' priority to apply a risk-based, phased approach that embeds human rights into supply chain management, while recognising differing levels of capability and readiness among suppliers.

Human Rights in Procurement and Licensing

We integrate Human Rights Due Diligence into the procurement process through upfront screening during supplier registration to manage human rights risks, particularly in high-risk sectors and labour-intensive services. As stipulated in the PETRONAS Contractors Code of Conduct on Human Rights, human rights requirements for suppliers include non-violation of child labour, forced labour, adherence to labour rights, humane treatment, non-discrimination, freedom of association and access to effective grievance mechanisms. These requirements are also embedded in licensing and contractual arrangements so that human rights governance is instilled within supplying organisations' practices.

Fostering a Just Transition

Contractors Code of Conduct on Human Rights Attestation and Self-Assessment

Mandatory completion of self-assessments requires suppliers to declare their human rights practices and attest to compliance with the PETRONAS Contractors Code of Conduct on Human Rights, including the prohibition of forced and child labour. This requirement applies to all licensed and registered suppliers operating in Malaysia through the PETRONAS License Management System.

PETRONAS Supplier Human Rights Due Diligence Process

Communicate Expectation to Suppliers

Expectation on Responsible Supply Chain is made compulsory through PETRONAS Contractors Code of Conduct on Human Rights which is available on PETRONAS' website. It is also embedded in contractual clauses and communicated through supplier engagements, and stakeholders forums and dialogue.

Apply Risk-based Approach for Supplier Risk Identification

Identify potential human rights risks, including child labour and forced or compulsory labour, across the supply chain based on country and sector exposure, and prioritise suppliers operating in higher risk contexts.

Validate Supplier Human Rights Risk

Validate identified risks, where required, through sampling-based reviews and assurance activities to confirm the nature and severity of potential impacts.

Issuance of Corrective Action Plan to Suppliers

Prevent and mitigate adverse impacts by implementing corrective action plans within agreed timelines, supporting remediation and tracking implementation progress.

Supply Chain Human Rights Reporting to Stakeholders

Monitor and report supply chain human rights performance over time through established governance structures, corporate committees and reporting channels.

Upfront Due-Diligence

We screen suppliers early in the procurement process, including sourcing, licensing and registration, to identify human rights risks through the mandatory PETRONAS Contractors Code of Conduct on Human Rights, supported by attestation and self-assessment. Data submitted by suppliers through the Contractors Code of Conduct on Human Rights are analysed to assess their human rights practices, using a risk-based approach on a sampling basis. The Contractors Code of Conduct on Human Rights requirements are embedded in contractual clauses.

Addressing Human Rights Impact

Suppliers identified as having potentially significant human rights risks are subject to further validation and investigation. Human rights assurance reviews are used to verify the potential significant human rights risks declared by suppliers through attestation and self-assessment. Other related requirements will also be verified during such reviews, where evidence will be collected and analysed to ascertain suppliers' compliance to domestic laws and international human rights standards. Conversations with supplier's top management and workers will also be documented as part of the validation. Once human rights gaps are identified, prevention and corrective action plans will be developed with the supplier to execute within an agreed timeframe to safeguard PETRONAS against human rights violations in our supply chain. The preventive and corrective actions are monitored closely to ensure gaps are being addressed. Consequence management will be imposed to suppliers that failed to remedy the human rights gaps after exhaustive efforts undertaken by PETRONAS. Failure by suppliers to comply with the requirements set out in the Contractors Code of Conduct on Human Rights may result in actions taken by PETRONAS, including terminating the non-complying party's relationship with PETRONAS and other measures.

Suppliers are also required to maintain their own grievance mechanisms and conduct due diligence of their operations, as part of the Contractors Code of Conduct on Human Rights requirements.

Enforcement of PETRONAS Contractors Code of Conduct on Human Rights

Human rights requirements are systemically embedded in the procurement governance process, covering supplier screening during onboarding at the licensing/registration stages, the sourcing stage and through contractual clauses throughout the year. Enhancements to system-based screening, consequence management and targeted engagement with higher-risk suppliers have strengthened the implementation of human rights due diligence in day-to-day procurement governance.

Activity Areas	Initiatives in 2025	Outcomes
Strengthen Procurement Safeguards	Embedded PETRONAS Contractors Code of Conduct on Human Rights Self-Attestation in Sourcing Tool as a mandatory requirement and enhanced Procurement Contractual terms with explicit mention of Contractors Code of Conduct on Human Rights adherence in existing human rights clause.	<ul style="list-style-type: none"> End-to-end human rights safeguards are embedded across the procurement process, starting from licensing/ registration, sourcing and contractual stages, to provide clearer guidance to suppliers on PETRONAS' human rights requirements. In 2025, new suppliers within the PETRONAS License Management System were screened against defined criteria through completion of the PETRONAS Contractors Code of Conduct on Human Rights Self-Assessment, increasing cumulative coverage to around 6,330 licensed and registered suppliers. This figure includes suppliers at various registration statuses within the system. As at year end, 4,775 suppliers had submitted the assessment, up from 3,647 submissions in 2024, and attested to adherence to the PETRONAS Contractors Code of Conduct on Human Rights, including no violations related to forced labour and/or child labour. The overall increase reflects ongoing screening efforts alongside growth in the supplier population over the year.
Collaborate to Mitigate the Human Rights Risk	Discussed and agreed on preventive and corrective action plans to be implemented by suppliers within an acceptable timeframe, conducted targeted engagement sessions with suppliers identified as having potentially significant human rights risks and provided clear pathways to remedy.	<ul style="list-style-type: none"> Conducted two virtual sessions in March and June 2025 to better understand the nature of identified gaps and support corrective actions. These sessions provided guidance on applicable do's and don'ts aligned with relevant laws and emphasised the consequences of non-adherence. Provided suppliers with the PETRONAS Contractors Code of Conduct on Human Rights guidelines. Following engagement and mitigation actions in 2025, 58 per cent (464) of suppliers identified as potential high-risk demonstrated improved sustainability risk ratings.
Enforcement of Consequence Management	Applied consequence management for suppliers that did not submit the PETRONAS Contractors Code of Conduct on Human Rights Attestation and Self-Assessment, as well as suppliers that failed to mitigate identified human rights gaps within the required timelines, by restricting their progression in procurement processes until requirements were met.	<ul style="list-style-type: none"> Minimised or eliminated suppliers with potential human rights risks from becoming PETRONAS business partners, thereby reducing risks to PETRONAS' business operations. Improved visibility of supplier compliance status and reinforced that human rights expectations are an integral part of formal procurement governance, rather than a discretionary practice. A total of 1,555 suppliers were subject to consequence management due to non-compliance arising from non-submission of the PETRONAS Contractors Code of Conduct on Human Rights Attestation and Self-Assessment.

Fostering a Just Transition

Responsible Security



Security Due Diligence

PETRONAS conducts human rights due diligence to ensure early identification of potential security challenges. Country-level assessments are designed to determine whether operating locations require closer attention from a responsible security perspective, informed by contextual risk indicators, engagement with security providers and the nature of activities on the ground.

In 2025, PETRONAS strengthened the responsible security country classification approach. This work focused on updating the assessment methodology, risk matrix and implementation guideline to improve clarity, consistency and objectivity, and to better support context-sensitive application of the responsible security risk assessment framework.

The enhancement process continues through 2026 and is informed by feedback from business counterparts in countries where earlier assessments were conducted. These engagements have highlighted opportunities to adjust the weighting of risk indicators, refine matrix parameters, strengthen documentation guidance and improve methodological rigour to better reflect operational realities across diverse jurisdictions.

During this period, emphasis was placed on reinforcing governance, capability building and awareness across international operations. Responsible security and human rights governance expectations, including compliance requirements, were communicated through briefing sessions with selected business units, operating units and country offices. Training and refresher programmes were also delivered for PETRONAS personnel, including auxiliary police and international security focal points to strengthen understanding of human rights risks and responsibilities in security operations.

Efforts continued to progressively integrate responsible security contractual provisions into new and existing agreements with third-party security providers. These ongoing enhancements strengthen oversight and support alignment with the Voluntary Principles on Security and Human Rights.

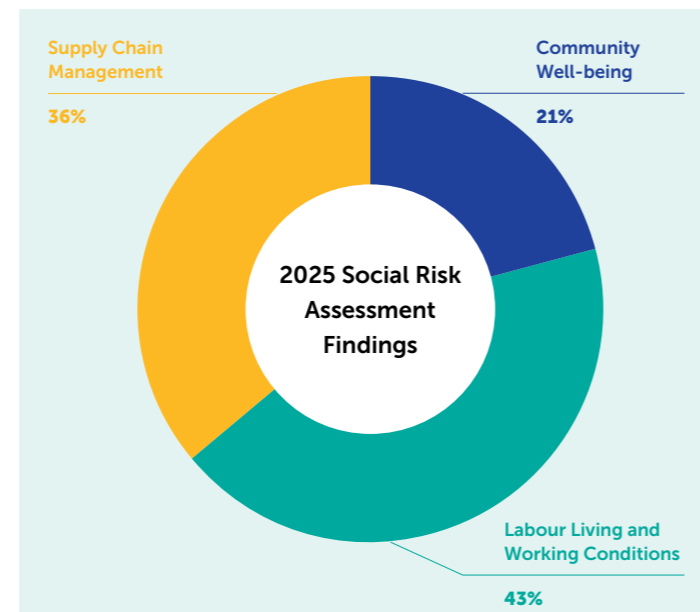
Community Well-Being



Social Risk Assessment

The PETRONAS Social Risk Assessment process considers the following:

- Conduct due diligence to proactively identify, prevent and mitigate adverse human rights impacts across operations.
- Engage relevant stakeholders through structured formats, including interviews and consultations.
- Conduct site visits to gather on-ground insights into human rights performance and potential risk drivers.



In 2025, PETRONAS conducted five social risk assessments. All identified findings due during the year were addressed and mitigated. By theme, social risk assessment findings related to labour, living and working conditions represented 43 per cent of findings, and were primarily due to uneven awareness of human rights risks and grievance management processes.

Findings related to supply chain management represented 36 per cent and were mainly associated with contractor alignment with the PETRONAS Code of Conduct on human rights requirements.

Findings related to community well-being represented 21 per cent, indicating opportunities to improve grievance mechanisms and related administration so that affected stakeholders can raise concerns and access remedy.

In response, we continue targeted labour rights training and engagement sessions with employees and contractors, and work to improve the visibility and effectiveness of grievance mechanisms.

Indigenous Peoples Assessment

We conduct the PETRONAS Indigenous Peoples Assessment to identify and address potential impacts on Indigenous Peoples arising from new projects, ongoing operations, facility modifications or expansions, decommissioning activities, and acquisitions, including businesses, facilities or equity interests. Assessments are initiated when potential risks or impacts are identified at the early stages of project planning or evaluation. Where applicable, we seek Free, Prior and Informed Consent, with the decisions guided by subject matter experts based on the nature and location of the activity and its potential impacts. This approach recognises the right of Indigenous Peoples to participate in decision-making on matters that may affect their lands, livelihoods, natural resources and social development.

In 2025, no assessments were initiated, as no projects or activities were identified as having potential impacts on indigenous communities.

Land Acquisition and Involuntary Resettlement Assessment

Land acquisition for projects and operations may result in physical or economic displacement, including voluntary or involuntary resettlement and/or impacts on livelihoods. PETRONAS manages the human rights aspects of land acquisition and resettlement through a dedicated team that oversees consultation with affected stakeholders prior to land purchase. In Malaysia, a government-led process guides engagement with relevant authorities to minimise adverse impacts on communities and to ensure appropriate compensation, where required.

Where relevant, PETRONAS develops stakeholder engagement and communication plans to keep communities informed and to incorporate feedback throughout the project life cycle. PETRONAS respects local and Indigenous Peoples' land access and usage rights on company-controlled land, and holds discussions with communities to understand how traditional practices and cultural heritage can be appropriately recognised.

Human Health Risk Assessment

We conduct environmental health risk assessments to evaluate potential threats to human health, and to inform measures that support a safe environment for the communities in which we operate. In 2025, environmental health screenings were implemented across projects to support earlier identification and assessment of potential community health risks in the facility's life cycle. Following external verification of the human health risk assessment, we strengthened elements of the methodology to support more consistent and robust environmental health evaluations.

Fostering a Just Transition

Access to Remedy

In 2025, grievance mechanisms within PETRONAS' operational control remained accessible across operations and where applicable, the value chain, enabling employees, suppliers and communities to raise concerns through established reporting channels.

Employee-related Grievances

For employee grievances, we uphold the right to a fair and transparent process, with concerns addressed without prejudice and in line with applicable policies and procedures. During the year, 58 per cent of employee-related grievances were resolved within the established timeframe.

Performance-related grievances are assessed based on objective fact-finding and evidence to determine whether a revision to a performance rating is warranted, with outcomes guided by merit.

For grievances concerning leadership behaviour or employment conditions, remediation is determined holistically and is proportionate to the nature of the concern raised.

Supply Chain-related Grievances

In the area of supply chain grievances, 26 cases were recorded and investigated, covering issues such as labour practices and worker welfare. Of these, 88 per cent were closed following remediation, while the remaining cases are being addressed and are expected to be resolved within the agreed timeframe.

Community-related Grievances

For community-related grievances, 44 cases were recorded during the year, all of which were closed within the reporting period. Most cases (93 per cent) related to community health and safety matters, including odour nuisance, fire incidents, right-of-way maintenance activities and road safety concerns affecting nearby communities, while the remaining 7 per cent related to access to livelihoods.

Grievance Cases Recorded in 2025

53
employee grievance cases.

ZERO
employee grievance cases classified as related to discrimination.

26
supply chain grievance cases were recorded, which were related to labour practices and worker welfare.

44
community grievance cases.

2
security personnel grievance cases.

ZERO
grievance cases related to land access or resettlement.

ZERO
grievance cases related to Indigenous Peoples.

Strengthening the Effectiveness of the Health, Safety and Environment Grievance Mechanism

A third-party assessment of the PETRONAS Health, Safety and Environment (HSE) Grievance Mechanism was conducted in 2025 with reference to the United Nations Guiding Principles on Business and Human Rights (UNGPs).

The assessment recognised several established practices as follows:

- A **structured approach to grievance management** defined at corporate level.
- Multiple access points for raising grievances**, tailored to operational context.
- Mandatory training** for grievance focal points and community liaison officers, including a two-day course, with refresher sessions as needed, alongside mandatory human rights training for PETRONAS staff.
- A **stated commitment to non-retaliation and confidentiality** within the PETRONAS Code of Conduct and Business Ethics and related grievance mechanism procedures.
- A **transparency commitment** to provide progress updates to grievants within one month and periodically thereafter where resolution takes longer.

The assessment found that governance elements of the mechanism were largely aligned with the UNGPs' procedural expectations. It also noted areas where implementation was only partially aligned across operating units and assets, reflecting inconsistent practices. In addition, the assessment identified limitations in available evidence in certain areas, due in part to the scope of technical sampling and limited engagement with rights holders. Areas identified as not aligned were primarily related to rights compatibility and the handling of grievances in conflict and post-conflict settings.

In response, PETRONAS is strengthening grievance mechanism implementation through targeted actions, including updating relevant governance documents, enhancing communication and engagement with rights holders, and building capability among social performance practitioners, grievance focal points and community liaison officers. We also plan to enhance our enterprise grievance mechanism digital tool in 2026 to support more standardised case management practices.



Scan the QR code to visit Sustainability Performance Data for detailed information.

Fostering a Just Transition

Building Human Rights Understanding and Capability

In 2025, we strengthened practical understanding of human rights responsibilities across our workforce and relevant external stakeholders, including suppliers, through communication and targeted capability-building initiatives aligned with salient human rights issues.

Salient Human Rights Issue	Purpose	Training and Upskilling in 2025
Responsible Labour and Working Conditions	Strengthen understanding of labour rights and promote the consistent application of workforce-related human rights requirements.	<ul style="list-style-type: none"> Conducted two human rights training sessions for human resources practitioners.
Responsible Supply Chain	Increase awareness of labour standards and expectations among suppliers.	<ul style="list-style-type: none"> Conducted 15 human rights training sessions for suppliers. Trained 131 internal procurement staff (also known as 'PETRONAS buyers') on human rights.
Responsible Security	Reinforce responsible principles and human rights considerations in security operations.	<ul style="list-style-type: none"> Provided human rights and responsible security awareness training to 615 personnel, including 610 PETRONAS Auxiliary Police personnel and five Group Security executives, covering the responsible use of force, firearm responsibilities and human rights considerations in security operations.
Community Well-being	Improve organisational capability to manage community-related human rights risks.	<ul style="list-style-type: none"> Conducted three social risk assessment training sessions. Facilitated 13 grievance mechanism training sessions. Delivered one masterclass and convened a social performance technical forum on business and human rights due diligence in the context of the global energy transition.

Enterprise-wide Communication and Awareness

The PETRONAS Sustainability Network serves as a platform for sustainability practitioners across the Group to share knowledge and good practices. In 2025, a dedicated session focused on the importance of identifying, preventing, mitigating and accounting for business-related human rights impacts, and on strengthening organisational capability for human rights due diligence.

To further support consistent application across the Group, PETRONAS established an internal human rights portal which centralises policy guidance, risk management resources and grievance information.

Sustainability Impact

During the year, our human rights processes guided how concerns were surfaced and addressed across workforce, supply chain, security and community contexts. These practices supported coordinated responses while operational and organisational changes were implemented.

Workforce-related matters were monitored closely during organisational changes, with information from assessments, monitoring and grievance channels reviewed alongside operational indicators to enable timely escalation through existing management processes. Transition-related workforce concerns were managed through established consultation and remedy channels.

In the supply chain, PETRONAS Contractors Code of Conduct on Human Rights Attestation and Self-Assessment by suppliers, engagement and corrective action tracking clarified responsibilities between PETRONAS and suppliers. For community and security-related matters, defined assessment methods and trained focal points supported more consistent handling of human rights concerns across locations.

1 Future-Proofing the Workforce

The energy transition is reshaping industries, demanding both technological advancements and a capable, agile workforce to drive progress. Innovation alone is not enough. Technology and talent must work hand-in-hand. We are committed to building a future-ready workforce by continuously investing in education, reskilling and upskilling, and industry collaboration while reshaping the organisation to better respond to evolving technologies and market dynamics.

For several decades, we have steadily invested in nurturing talent, ensuring that our employees are equipped to leverage new technologies. To stay ahead, we are enhancing workforce planning, strengthening skills and capacity to support the energy transition, and fostering agility through lifelong learning and technical training.

We ensure that the well-being of our workforce remains a priority and that all workforce-related matters are handled responsibly, in accordance with our policies and applicable employment laws. We uphold employee rights and engage constructively through structured dialogue with employees and their representative bodies through dedicated programmes and structured dialogue.

HC Human Capital

Why This Matters

Our ability to operate safely and sustain performance across our Core and New Businesses depends on having the right capabilities, leadership and workforce readiness.

As decarbonisation, digitalisation and portfolio shifts reshape PETRONAS' operating model, we strengthen organisational effectiveness through defined structures, governance, agile ways of working and a robust talent system. In parallel, we prepare our workforce for evolving roles by developing relevant capabilities and upholding responsible people practices ensuring fair employment, transparent communication, access to learning and meaningful support to sustain performance and preserve critical capabilities.

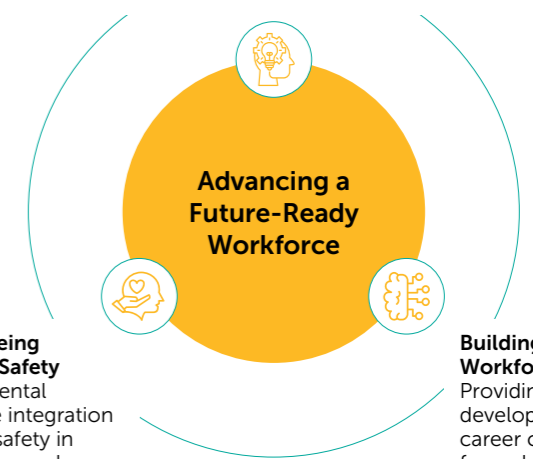
As the energy transition accelerates, we continue to strengthen governance of workforce impacts to ensure changes are managed fairly and responsibly.

Our Focus

We focus on strengthening workforce readiness and organisational resilience to support the delivery of our Energy Transition Strategy. This includes aligning workforce structures to evolving business needs, building future-ready capabilities and ensuring continuity of critical skills.

We also uphold responsible workforce practices by ensuring fair employment, transparent communication, access to learning and meaningful support. Governance of workforce impacts continues to be strengthened to ensure transitions are managed in a fair and responsible manner. This is guided by the following focus areas:

Attracting Talent with Purpose
Offering competitive remuneration, clear career pathways and a purpose-driven, inclusive culture to attract and retain talent.



Supporting Well-Being and Psychological Safety
Fostering health, mental resilience, work-life integration and psychological safety in leadership, employee and transformation efforts to sustain performance.

Building a Future-Ready Workforce
Providing learning, development and early-career capability solutions for a changing energy system.

Fostering a Just Transition

Our Approach

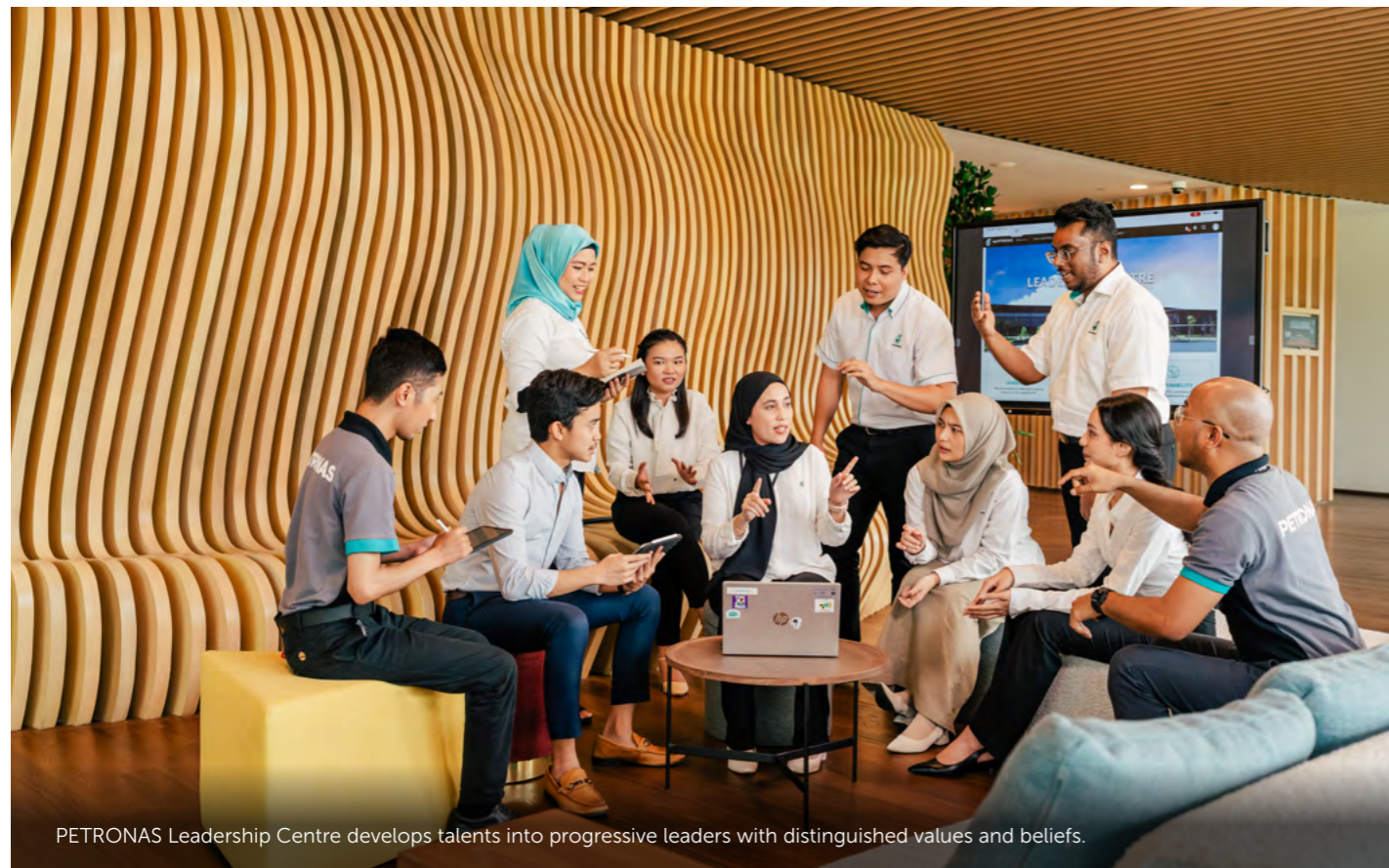
Our approach is grounded in meritocracy, inclusivity and continuous learning, recognising that employees value purpose, growth and well-being alongside remuneration and progression.

We invest in skills, leadership capability and learning agility to enable employees to adapt, grow and contribute across evolving roles. Health and well-being are embedded in everyday people management, with a focus on mental resilience, work-life integration and psychological safety.

Work culture and leadership expectations are reinforced through governance, accountability and management oversight, ensuring consistency, fairness and transparency in talent decisions.

As business needs evolve, adjustments to roles and workforce structures are guided by principles, sound governance and respect for people, with attention to capability continuity and long-term employability.

We prioritise active engagement and dialogue with employees to ensure workforce perspectives inform how change is managed. This reflects the PETRONAS Shared Values of Loyalty, Integrity, Professionalism and Cohesiveness, as well as our Cultural Beliefs, and aligns with our Just Transition priorities related to workforce, which guide workforce changes through fairness, transparency and inclusive decision-making.



PETRONAS Leadership Centre develops talents into progressive leaders with distinguished values and beliefs.

Our Progress

Attracting Talent With Purpose



Strategic Workforce Planning

Strategic workforce planning ensures that the organisation has the right capabilities, capacity and leadership depth to remain competitive, resilient and operationally strong in business performance. This includes anticipating future skillsets aligned with our strategic priorities, particularly as we advance our Energy Transition Strategy and evolve our business portfolio.

We continue to strengthen our talent management approach to support workforce resilience, leadership continuity and fair transition outcomes. Our strategic workforce planning is guided by business priorities and capability requirements. Additionally, we engage with employees, trade unions and relevant internal stakeholders to ensure that capability planning and transition-related considerations reflect diverse perspectives while maintaining productivity and alignment with business needs.

PETRONAS strives to maintain an appropriate workforce size and structure to support operational performance and strategic growth. As our business portfolio and operating model evolves, periodic adjustments align roles, capabilities and emerging skill requirements with future priorities.

We undertook a workforce rightsizing exercise to improve organisational effectiveness, strengthen critical capabilities and enhance operational efficiency, while supporting long-term transition needs. The exercise was carried out under Board and senior management oversight, to ensure the process was fair, transparent and supported by comprehensive social protections. This included support measures that prioritised fair and respectful treatment for employees, such as a competitive separation package, career transition support, as well as upskilling and reskilling programmes. These efforts enabled the organisation to maintain the capabilities required for ongoing operations and future growth. Where workforce rightsizing occurs, PETRONAS monitors redeployment and separation outcomes to support transparent workforce planning and responsible transitions.

Employee Benefits and Fair Remuneration

We aim to provide fair and competitive remuneration that reflects role requirements, individual contribution and market standards. Compensation is determined through merit-based processes, aligned with job responsibilities, performance and external market references, while applied consistently without discrimination based on gender, age, nationality, ethnicity or religion. Our remuneration framework covers both monetary and non-monetary benefits.

Employees in Malaysia receive a comprehensive package covering salary, leave entitlements including maternity leave of 98 days and paternity leave of five working days, as well as various other leave entitlements. Benefits for employees outside Malaysia are subject to market-based employment terms and conditions, while protection remains in place for workers affected by transition-related workforce rightsizing.

PETRONAS' remuneration practices are positioned above the statutory minimum wage requirements and are aligned with job worth and market benchmarks for employees based in Malaysia. Under the Minimum Wages Order 2024, the Malaysian minimum wage increased from RM1,500 to RM1,700, effective August 2025. The average entry level salary for PETRONAS employees in Malaysia exceeds the national minimum wage by 19 per cent.



Scan the QR code to visit Life@PETRONAS for detailed information.

In Malaysia, medical care coverage for employees and their dependants provides equitable access to healthcare services, including maternal, dental and optical care, alongside preventative health screenings. Recognising the critical intersection of gender and health, coverage also extends to sexual and reproductive healthcare, including diagnostic assessments and medical interventions for hormonal and gynaecological conditions. This ensures employees receive specialised care for underlying health factors, with the exception of assisted fertility or infertility treatments.

Employee benefits include allowances such as connectivity support and assistance for children with special needs, alongside development opportunities. Access to home and vehicle financing is provided to eligible employees in line with established policies and employment frameworks. Benefits for contract employees may vary depending on the terms and duration of their contract.

As our business portfolio evolves, PETRONAS continues to support fair, safe and inclusive work practices while managing workforce impacts of the energy transition. This includes ensuring employees have access to equitable opportunities which are aligned with our Energy Transition Strategy such as capability-building for roles across six key new areas, namely Renewable Energy, Hydrogen, Green Mobility, Bio-based Solutions, Specialty Chemicals, and Carbon Capture and Storage.

Fostering a Just Transition

Building A Future-Ready Workforce



Talent Pipeline

A strong talent pipeline is critical to sustaining business performance, leadership continuity and long-term growth. Recognising this, we adopt a structured and governance-driven approach to talent development to ensure alignment with business priorities. Talent and succession discussions are conducted through established platforms to strengthen leadership readiness for critical roles.

Leadership development is guided by structured frameworks and delivered through targeted programmes for emerging and established leaders. These programmes focus on building leadership capability, strengthening decision-making and supporting an inclusive, high-performing work environment.

Collaboration with national Technical and Vocational Integrated Skilled Talent Advancement VISTA i-plus stakeholders such as government bodies, learning institutions and industry players support the development of a skilled workforce aligned with Malaysia's long-term talent needs, strengthening access to critical skills while supporting broader socio-economic transition objectives.

We continue to strengthen talent and succession planning through leadership development programmes, clearly defined career pathways and structured succession planning that evolve with asset portfolio priorities. Development of future-ready talent is also implemented through the PETRONAS Leadership Centre, via in-role programmes spanning managers to C-suite executives, ensuring leadership capability building is embedded within actual business contexts. As a result, we have reinforced leadership continuity with a strong talent bench, placing approximately three potential successors for most critical roles in 2025, while securing capabilities in priority disciplines and identifying high potential individuals earlier in their careers.

In supporting the Malaysian Government's efforts to develop a future-ready workforce, we continue to implement the Graduate Employability Enhancement Scheme, a structured one-year programme that combines experiential learning, soft skills development, entrepreneurial knowledge and technical training for unemployed graduates. Our efforts also include supporting local and international scholars at Universiti Teknologi PETRONAS, as well as structured internship placements that strengthen early-career pathways, mid-career sponsorship and support the transition from education to employment. These efforts have enabled us to secure critical capabilities in priority disciplines while identifying high-potential talent early.

Strengthening Future-Ready Capabilities

PETRONAS identifies current and emerging skills gaps, and strengthens reskilling and upskilling efforts to support employees whose roles may evolve. In this aspect, we are guided by the PETRONAS Strategic Workforce Planning which encompasses role criticality assessments, PETRONAS Capability Development Priorities and forward-looking skills mapping aligned to the PETRONAS Energy Transition Strategy. These efforts are designed to ensure that our workforce remains agile and equipped with future-aligned capabilities as business needs change.

Our programmes for employees cover new energy and sustainability-related disciplines, including the development of skills relating to carbon management, hydrogen, renewables and circular economy, while building sustainability literacy and digital fluency, including artificial intelligence (AI). Leadership and technical programmes delivered, among others, through the PETRONAS Leadership Centre and Institut Teknologi Petroleum PETRONAS (INSTEP), the Group's technical training institute for the energy industry, prepare employees to work with emerging technologies and lower-carbon solutions.

Training investment is tracked through structured learning metrics, including investment per employee and average learning hours, to maintain alignment between capability development and business priorities. These indicators provide visibility into workforce readiness and support ongoing skills planning.

2025 Training Investment and Learning Hours

RM439.0 million

total investment in employee training.

49 hours

average learning hours per employee.

Training investment remained strong in 2025 as we continued building the capabilities required for the energy transition and evolving business priorities. Total investment in employee training amounted to RM439.0 million, supporting targeted learning aligned with business needs.

Average training hours for employees stood at 49 hours in 2025, reflecting a decrease from 57 hours from 2024 as the organisation shifts towards more agile training approaches, including on-the-job and AI-enabled learning. These efforts demonstrate our commitment to ensure a culture of continuous learning across the organisation.

PETRONAS also remains committed to developing skills and competencies aligned with business and industry requirements to support a just transition. Upskilling in AI, automation and carbon management remains a key focus to ensure talent continues to drive energy innovation and resilience. Accelerated skill development is achieved through seamless integration of learning into daily workflows and tailored, role-specific pathways, empowered by generative AI.

This commitment to talent development is further demonstrated through active participation in shaping the national agenda, including contributions to TalentCorp's impact study on AI and the Digital and Green Economy in the Malaysian oil and gas workforce, approved by the Ministry of Human Resources in 2025.

Skills development is integrated with talent mobility to ensure capabilities are applied where they are most needed. This is supported by periodic employee assessments, performance reviews, superior check-ins and structured processes that inform deployment and development decisions. Our efforts are informed by workforce analytics and talent insights, and focus on reviewing skill group constructs, expanding role-based and modular learning, and accelerating reskilling across core and adjacent capabilities. This enables employees to adapt to changing role requirements while supporting responsible talent redeployment as business needs evolve.

Digital enablement and workforce analytics further enhance visibility into capability gaps, succession coverage and workforce productivity. Investments in human resource technology and capability planning tools support more informed, data-driven decisions, enhancing our ability to anticipate transition impacts and respond in a timely and responsible manner.

Advancing Sustainability Capabilities in Our People

Delivering our Energy Transition Strategy requires more than technical solutions and capital investment. It depends on the ability of our people to understand and apply sustainability considerations in their roles, decisions and leadership actions. As sustainability topics increasingly shape project design, operational practices, risk management and stakeholder engagement, PETRONAS continues to strengthen the knowledge, decision-making judgement and practical skills of employees across functions and levels.

In 2025, this was advanced through structured learning programmes, leadership development, academic collaboration and internal advocacy networks, delivering 34 sustainability-related programmes across 89 sessions throughout the year. Sustainability was further embedded into existing learning pathways, leadership curricula and workforce engagements, and integrated into business processes and systems so that it becomes part of how work is done across the organisation.

Fostering a Just Transition

Programmes	Description
Workforce Sustainability Learning	<ul style="list-style-type: none"> Targeted sustainability signature programmes benefitted 502 executives and specialists, enhancing competencies in decarbonisation, climate-related physical risk, nature-positive practices, just transition, human rights, and sustainability reporting and disclosure. Over 160 sustainability practitioners benefitted from external capability building programmes through executive education delivered by leading institutions, namely the Cambridge Institute for Sustainability Leadership, the Massachusetts Institute of Technology, Yale University, the Accounting for Sustainability Academy, and the World Business Council for Sustainable Development (WBCSD) Academy, as well as training on methane emission management delivered through the Oil and Gas Decarbonisation Charter.
Sustainability for Future Workforce	<ul style="list-style-type: none"> 420 students engaged through sustainability and Science, Technology, Engineering and Mathematics (STEM) initiatives with Yayasan PETRONAS, Universiti Teknologi PETRONAS and the ASEAN Green Skills Fair.
Sustainability Leadership	<ul style="list-style-type: none"> Sustainability-integrated leadership programmes, benefitting 1,321 executives, senior managers and general managers through enhanced understanding of sustainability leadership and decision-making. Six high-potential talents participated in the WBCSD Leadership, PETRONAS' Leadership Excellence Acceleration Programme (LEAP) and Young Professionals programmes, strengthening sustainability leadership. The programmes were delivered by Yale University, International Institute for Management Development (IMD) Business School, Esade Business School, National University of Singapore, Lancaster University Management School and Sunway University.
Sustainability Engagement	<ul style="list-style-type: none"> Quarterly engagements were arranged for approximately 200 PETRONAS Sustainability Network Change Agents on topics including just transition, change management, human rights due diligence and organisational sustainability transformation. Engagements with leaders from five trade unions enhanced knowledge on human rights and decarbonisation. Company-internal sustainability discourse was strengthened through engagements with sustainability experts and targeted upskilling for executives, specialists and practitioners, raising awareness on current topics.

Supporting Well-Being and Psychological Safety

Supporting Everyday Well-Being

Supporting everyday well-being goes beyond formal policies and programmes. It shows up in how leaders engage their teams, how people manage the balance between life at work and home, and how individuals respond to stress, uncertainty and change. In 2025, we focused on practical, accessible support that employees experience in their daily work, strengthening psychological safety, early support, flexible ways of working and social connection so people can stay healthy, engaged and are able to perform.

Focus Areas	Initiatives in 2025	Outcomes
Everyday Psychological Safety	The 'Honest, Open and Transparent (H.O.T.) Conversation' mechanism was introduced during the year as a framework to encourage open dialogue and two-way feedback between leaders and employees.	<ul style="list-style-type: none"> Employees utilise the H.O.T. Conversation mechanism on employee's performance management process with regular performance conversations and documented behavior feedback enabled through newly introduced features within the employee performance management system. Continuous engagement was conducted through open channels such as forourfuture@petronas.com workforce rightsizing microsite, townhalls and leadership engagement sessions.
Work-Life Integration	Flexible working arrangements and hours continued to be available to employees in suitable roles, such as non-shift positions, subject to business requirements, and applied in a fair and non-discriminatory manner.	<ul style="list-style-type: none"> Increased autonomy to manage work and personal responsibilities. As per our human resources guideline, flexible working arrangements and hours are applicable for all employees based on the nature of the job. For non-shift positions, the workforce comprises of 37 per cent female and 67 per cent male employees.
Mental Health, Early Support and Wellness Awareness	The Employee Assistance Programme was enhanced, integrating confidential counselling services covering a wider range of mental wellness topics, including sexual health and well-being with 24/7 access. Wellness awareness webinars were also delivered, including women-focused cancer awareness in conjunction with International Women's Day.	<ul style="list-style-type: none"> Provided counselling support to employees, with a total of 568 employees receiving mental health assistance.
Social Connection and Resilience	The PETRONAS Sports and Recreation Club continued to support employee wellness through sports and recreational activities.	<ul style="list-style-type: none"> Encouraged wellness and camaraderie through more than 200 events across Malaysia.
Stability During Organisational Change	<p>The CARE Enrichment Programme supported employee well-being and psychological safety during and after the workforce rightsizing exercise. Structured leadership engagements focusing on building emotional resilience, connection, trust and clarity were held to help them adapt to new organisational realities.</p> <p>Targeted employee support measures were implemented to address well-being considerations arising from work-related changes. For employees directly affected by the workforce rightsizing, the Next Chapter career transition programme included career coaching, job search assistance, emotional support services, a medical assistance programme, upskilling and reskilling programmes, as well as financial planning guidance.</p>	<ul style="list-style-type: none"> Reached more than 1,200 employees through engagement sessions, improving clarity during change while supporting staff in their career transition journey. Achieved 4.6/5 average stakeholder satisfaction, aligned with 97 per cent CARE Enrichment Day satisfaction, reflecting employees feeling safe, heard and supported with practical tools.

Fostering a Just Transition

Workforce Rightsizing Support

Changes in business priorities and future capability needs required workforce rightsizing in 2025 to sustain performance and competitiveness. PETRONAS enhanced the operating model and redesigned the organisation structures across various enabler functions, while launching efforts to simplify processes. As a result, a number of roles were impacted. In ensuring talent mapping and placement decisions are made fairly, objectively and systematically, PETRONAS established several platforms including Transition Councils and People Development Committees, involving Executive Leadership Team and business leaders.

To support affected employees manage change and prepare for their next steps, and as part of our commitment to their well-being, we provided comprehensive career transition programmes. These programmes covered a range of coaching, job search assistance, emotional support, upskilling and reskilling programmes as well as financial planning guidance support through partnerships with public agencies and job networking platforms.

Access to remedy remained available throughout the transition period. Employee grievance and feedback platforms continued to provide channels for raising concerns related to employment practices, benefits, treatment, notice periods and transition support, to ensure that execution pace did not compromise due process, transparency and respect for employee rights.

Workforce Support Measures

To support employees affected by this exercise, a comprehensive career transition programme was put in place. Every decision was made with fairness, respect and professionalism. PETRONAS remained deeply committed to the well-being of our employees, and ensured that those impacted were treated with compassion and respect.

Career Transition Services

Career Transition Services provided structured, time-bound support to employees during the transition which includes a fair and competitive separation package and Next Chapter, a support programme focused on clarity and employability.

Next-Step Readiness

One-on-one mentorship and coaching services to support career planning, including career advisory from the Social Security Organisation of Malaysia (Pertubuhan Keselamatan Sosial, PERKESO) to help prepare for job search and interviews, and access to Korn Ferry's personal coaching.

Job Search Enablement

Access to PERKESO's myFutureJobs job-search tool and a one-year subscription to LinkedIn Premium.

Career Transition Support

Access to financial, mental and emotional well-being support from PERKESO, including group counselling, psychosocial services, and allowances for job search, re-employment, reduced income and training. Support on exploring entrepreneurship opportunities is also provided through programmes from PETRONAS Innovative Garage (PING).

Note:

These are applicable to eligible employees in line with established policies and employment terms and conditions.

Monitoring Indicators

The observations below reflect how core protections, representation mechanisms and governance controls operated as workforce rightsizing was implemented in 2025.

Workforce

Workforce composition remained broadly consistent.

- In 2025, the Group recorded a workforce population of approximately **49,000**, reflecting a **6 per cent** reduction from 2024, primarily associated with organisational and portfolio adjustments.
- Workforce composition remained largely consistent with prior years across gender and nationality, with no disproportionate shifts observed.
 - **29 per cent** female and **71 per cent** male employees, comprising both shift and non-shift personnel.
 - **84 per cent** Malaysian and **12 per cent** non-Malaysian employees*.
- Age profile remained relatively stable, with **65 per cent** of employees aged above 35 and **35 per cent** aged 35 and below. The 35-and-above employee group saw a slight increase of **4 per cent**, mainly driven by prudent manning fulfilment based on business priorities and criticality of roles.

* Nationality disclosure is voluntary for EU-based employees under the EU General Data Protection Regulation. As such, 4 per cent of PETRONAS' EU-based workforce did not disclose nationality information, and is excluded from the breakdown above.

Freedom of Association

Freedom of association and collective representation mechanisms remained accessible.

- **23 per cent** of Malaysian employees were covered under collective bargaining arrangements.

Effectiveness of Family-related Protections During Transition

Family-related protections continued to operate as intended. Effectiveness is assessed based on sustained employment following parental leave and employees' ability to return to work.

- Post-parental leave return-to-work rates stood at:
 - **86 per cent** for women.
 - **99 per cent** for men.
- Retention rates of employees who took parental leave stood at:
 - **95 per cent** for women.
 - **89 per cent** for men.

Employee Sentiment and Engagement During Transition

Monitored employee sentiment during workforce rightsizing to assess clarity, confidence and well-being.

- A 'Transformation Pulse Survey' was conducted across all levels and business units, with an over **50 per cent** response-rate.
- Baseline scores exceeded **50** across 'clarity, confidence and care' dimensions, reflecting a solid foundation of alignment and confidence towards transition efforts.
- The highest score of **65** reflected the continued willingness to contribute to the organisation's future.



Scan the QR code to visit Sustainability Performance Data for detailed information.

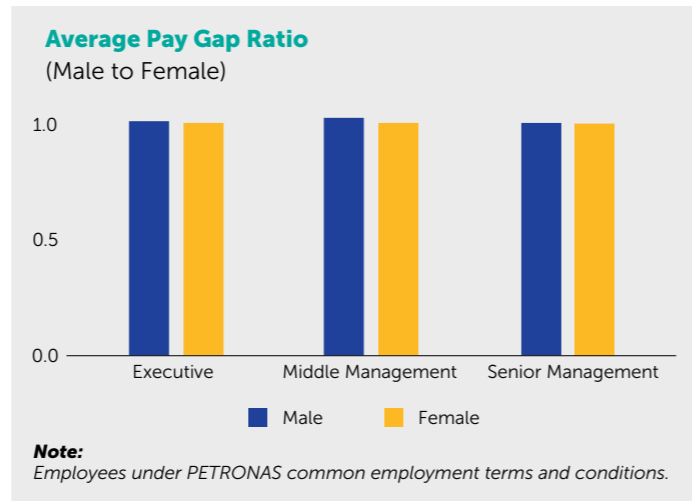
Fostering a Just Transition

Diversity and Inclusion

We promote an inclusive work environment where employees of different genders, nationalities, ages, abilities and backgrounds can contribute fully and fairly. Our Diversity and Inclusion statement is aligned with our Human Rights Policy and guides how we attract, develop and progress people with respect and dignity. We sustain a commitment to gender balance, multinational representation, age inclusivity, and the employment of persons with disabilities and neurodivergent talents.

Fair remuneration is grounded in the principle of equal pay for equal work, considering factors such as performance, experience and role scope. Differences in workforce representation across roles, levels and specialisations reflect broader talent pipelines and career progression patterns, which we continue to address through our inclusion and development efforts.

Building on this principle, the Group evaluates gender pay equity by comparing remuneration for women and men performing comparable roles at the same job level. Pay within each role level is managed on a gender-neutral basis. Where variations are observed, it is primarily attributed to time in role and role specific market premiums.



Scan the QR code to visit Sustainability Performance Data for detailed information.



HERizon, launched by the PETRONAS Leading Women Network in collaboration with PINTARA, is a mentorship initiative designed to empower women in technical fields and shape the future of leadership in the energy sector.

We continue strengthening our leadership pipeline through targeted initiatives such as the PLWN and others, which support leadership readiness through mentorship and development programmes, reinforced by inclusive talent and performance practices.

Practices across the employee life cycle emphasise consistent treatment and equitable access to opportunities. We strengthened accountability for diversity and inclusion by incorporating related performance measures into senior leadership performance metrics. Leadership capabilities are reinforced at key talent development and progression decision points through Conscious Inclusion immersion programmes, supported by ongoing communication and engagement via an internal diversity and inclusion microsite.

In line with our just transition priorities in the energy transition journey, we integrate diverse perspectives and needs into how we plan, support and prepare our workforce for evolving roles and capabilities.

Focus Areas	2025 Initiatives (Malaysia Operations)	Outcomes
Conscious Inclusion Programmes	Strengthen inclusive leadership awareness and capability through expanded training and awareness programmes, fostering deeper understanding of how to manage unconscious bias related to age, gender and diverse nationalities in the workplace.	<ul style="list-style-type: none"> Conducted close to 50 sessions, building capabilities among more than 80 leaders and equipping over 600 employees at middle managers, senior managers and top management leaders.
Empowering Women Talent to Thrive	Campaigns promoting women's allyship were amplified through the International Women's Day initiative, while the HERizon Core Mentorship supported the development of women in technical fields and strengthened pathways towards technical leadership.	<ul style="list-style-type: none"> Expanded allyship for a more inclusive workplace. Supported more than 30 women who completed HERizon Core Mentorship programme to progress in technical fields and leadership roles.
Enhancing Neuro-Inclusion Practices	Activated the Neurodiversity Resource Hub as an internal one-stop centre, providing resources and guidance on neurodiversity in the workplace. MindScape, a peer support community for neurodivergent employees, was also established, supported by webinars, engagement sessions and internal communications to raise awareness. Leadership conversations on neuro-inclusion and upskilling sessions were further conducted with various leadership teams and committees to strengthen understanding of neuro-inclusion.	<ul style="list-style-type: none"> Accelerated neurodiversity awareness and inclusive talents and leaders. Fostered a stronger sense of belonging and peer connection for neurodivergent talents.

We also contribute to broader inclusion practices beyond the organisation through participation in national platforms and industry forums. During the year, leaders were invited to participate in roundtables and working sessions with government agencies, industry associations and human capital networks, including Neurodiversity Chief Human Resources Officer Roundtable Series.

They were also invited as contributors to various programmes such as Human Resource Development Corporation, National Training Week, TalentCorp Life at Work conference and ASEAN Disability Forum. These engagements enabled the sharing of organisational experience, exchange of practices and alignment with evolving national workforce priorities, while supporting wider awareness of inclusive workplace approaches across the industry.

Fostering a Just Transition

Building Momentum for Neuro-Inclusion at PETRONAS

In 2025, the PETRONAS Neurodiversity Centre of Excellence (NCoE) focused on strengthening enterprise-level capability to support neurodivergent employees. Efforts progressed from individual case support towards improving leadership readiness, refining selected human resource processes and expanding awareness initiatives aligned with our people and sustainability priorities.

During the year, neurodivergent talents continued to contribute across their respective units, supported by their team and line managers. Additionally, structured internship placements were piloted and through the employee support group, MindScape, support was expanded to neurodivergent talents across the enterprise through peer-led engagements. Focused learning sessions were conducted to upskill leaders and line managers while inclusive workplace productivity tools and support were further promoted to enhance talent day-to-day effectiveness.

Beyond the organisation, we continued to contribute to industry and community dialogues through the Neurodiversity Chief Human Resources Officer Roundtable Series, bringing together more than 10 like-minded partner organisations to share practical sights and encourage cross-sector learning. These collective efforts culminated in the launch of a collaborative white paper with EY, titled 'Harnessing Neurodiversity': A Strategic Advantage to Foster Business Edge for Malaysia and Neurodiversity Action for Development, Inclusion and Network Empowerment (NADI&NE) at Energy Asia 2025, as the next step to sustain and scale up impact for Malaysia.

Overall, the NCoE strengthened the foundational capabilities to scale neurodiverse-inclusive practices in a structured and sustainable manner, with continued focus on lived experience and leadership development.



The launch of NADI&NE at Energy Asia 2025.

Sustainability Impact

Managing people through structural change while preparing new capabilities directly affects operational stability, employee confidence and long-term employability. The initiatives implemented during the year enabled us to adapt our workforce in a structured manner without disrupting performance or affecting workforce stability.

Workforce planning and rightsizing measures showed that change can be carried out with defined governance and support in ensuring that transition-related impacts on employees are responsibly managed. Redeployment pathways, reskilling opportunities and career transition assistance reduced uncertainty for affected employees while the organisation maintained access to required capabilities. Access to remedy remained available throughout the workforce transition including grievance mechanisms, collective representation and surveys that are tracked through defined indicators during the adjustment period.

Capability-building efforts improved readiness for emerging roles, particularly in lower-carbon and digital domains. Integration of sustainability and technical learning into mainstream development programmes enabled employees to apply environmental and socio-economic considerations in operational and project decisions rather than treating them as separate topics. These efforts will support consistent decision-making as energy transition considerations increasingly influence business activities.

2 Strengthening the Supply Chain

The energy transition can only succeed with the support of an evolving and thriving supply chain ecosystem. We recognise that small and medium enterprises (SMEs), which make up a significant portion of Malaysia's energy supply chain, require greater access to the right resources, capabilities and support to strengthen emissions management, enhance environmental performance and integrate human rights principles into their operations.

SC Sustainable Supply Chain

Why This Matters

As stakeholder expectations evolve and the energy transition accelerates, the global energy landscape is shifting towards procurement practices that require businesses to integrate broader environmental and social performance considerations into their operations.

In the Oil and Gas Services and Equipment (OGSE) sector, expectations such as carbon transparency, responsible supply chain practices and operational resilience increasingly influence supplier eligibility to participate in evolving, sustainability-driven value chains. Meeting these criteria may contribute towards strengthening market access and long-term viability. Global operators and customers are embedding sustainability requirements into procurement decisions, placing pressure on suppliers to demonstrate responsible practices and emissions management. In Malaysia, the OGSE ecosystem includes approximately 6,000 licensed and registered suppliers, predominantly SMEs that may require structured support to strengthen sustainability capabilities.

A just transition lens advocates for efforts that enable Malaysia's OGSE workforce to adapt to changing market expectations without disproportionate disruption, while strengthening equitable participation and safeguarding livelihoods.

Many of Malaysia's OGSE companies remain at an early stage of integrating sustainability into operations. Strengthening such practices across the OGSE supply chain will help improve suppliers' ability to participate in global value chains and support diversification into lower-carbon products and services.

Our Focus

We continue to advance Malaysia's OGSE ecosystem in line with evolving industry expectations. Acting as an ecosystem enabler, we support Malaysia's OGSE companies in developing sustainable and competitive capabilities through supplier development programmes, capability building and industry collaboration. A capable and competitive OGSE ecosystem supports energy security and enables execution of PETRONAS' strategy. Progress requires both PETRONAS and OGSE companies to advance together, each contributing through their respective roles and strengths. PETRONAS provides scale and demand visibility, while OGSE companies contribute specialised expertise and execution capabilities. Strengthening the ecosystem therefore remains a strategic business priority.

We require all suppliers to comply with the PETRONAS Code of Conduct and Business Ethics and the PETRONAS Contractors Code of Conduct on Human Rights. Environmental expectations are further embedded within health, safety and environment (HSE) requirements through contractual obligations aligned with applicable regulatory requirements across the contract life cycle.

The PETRONAS Sustainable Supply Chain microsite, publicly available on the PETRONAS website, articulates our position on key material topics that shape expectations across our supplier base: integrity, HSE, human rights and greenhouse gas (GHG) emissions. These areas define what we expect from suppliers in terms of responsible conduct, environmental stewardship and transparent reporting, and help create a shared understanding of sustainable business practices across the value chain.

Fostering a Just Transition

Our actions are guided by clear positions that align suppliers with PETRONAS Sustainable Supply Chain material topics.

PETRONAS Sustainable Supply Chain Material Topics



Our Approach

We integrate sustainability across our supply chain through a principles-based framework anchored in the PETRONAS Code of Conduct and Business Ethics and the PETRONAS Contractors Code of Conduct on Human Rights, with these requirements embedded into contractual and procurement processes.

These principles are applied across the supplier life cycle through human rights criteria screening, risk-based due diligence and contractual obligations with a focus on remediation and continuous improvement.

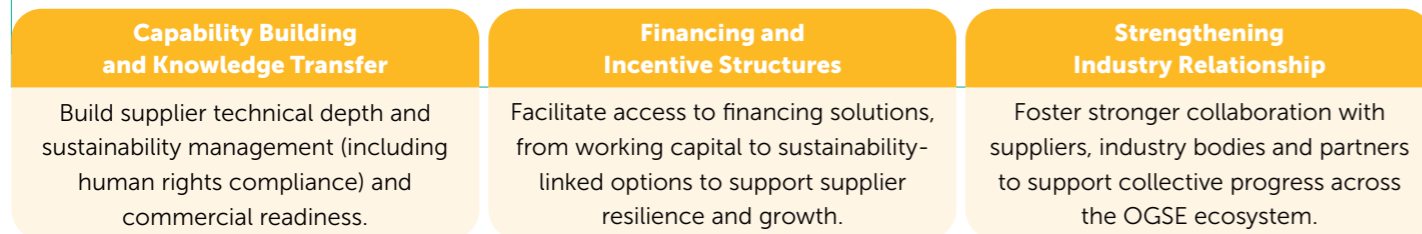
Beyond compliance, we support suppliers, particularly SMEs through capability-building, digital tools and sustainability-linked financing, strengthening resilience and long-term value creation while supporting Malaysia's energy transition goals.

Sustainable Supply Chain Approach

Define expectations on integrity, environment, labour and responsible business conduct.

PETRONAS Code of Conduct and Business Ethics

PETRONAS Contractors Code of Conduct on Human Rights



Our Progress

In 2025, we built momentum in advancing our sustainable supply chain approach by strengthening supplier capability, improving disclosure readiness and widening access to financing. These efforts supported a clear shift from awareness to action, helping suppliers embed sustainability into day-to-day operations while strengthening delivery reliability, compliance readiness and business resilience.

PETRONAS Supplier Support Programme

The PETRONAS Supplier Support Programme equips our licensed and registered suppliers in Malaysia with tools and training on environmental, social and governance (ESG) practices to strengthen their sustainability management.

The programme is structured to ensure that cost does not become a barrier to participation. Suppliers join the PETRONAS Supplier Support Programme at no direct cost and gain access to structured training, practical tools and financing pathways without requiring upfront investment. This approach recognises the constraints faced by many SMEs in the OGSE ecosystem and ensures that sustainability expectations do not exclude smaller players from participating in the energy transition.

By lowering entry barriers, suppliers can build capability while maintaining operational continuity across our supply chain.

The PETRONAS Supplier Support Programme aims to improve delivery reliability, reduce disruption risk and prepare suppliers for Malaysia's National Sustainability Reporting Framework (NSRF), the European Union's Corporate Sustainability Due Diligence Directive and other sustainability-related requirements.

PETRONAS Supplier Support Programme offers:

Capacity Building

Structured training tailored to supplier maturity covering climate action, governance, human rights and responsible practices.

Disclosure Enablement

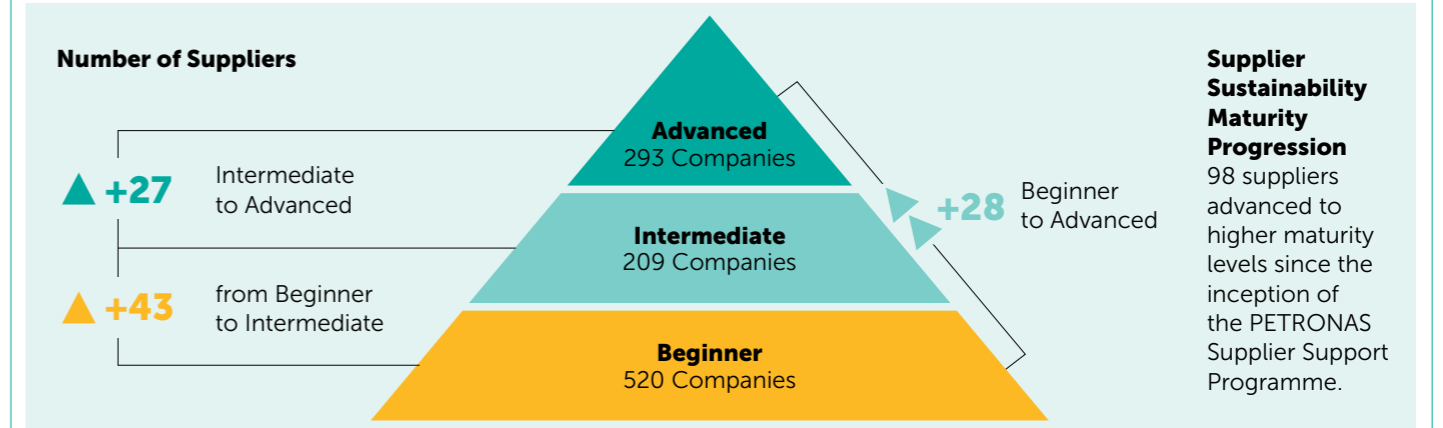
ESG and emissions data capture and reporting through the Centralised Sustainability Intelligence Platform.

Access to Financing

Sustainability-linked financing, including Bank Negara Malaysia's Low Carbon Transition Facility and partnerships with financial institutions such as UOB Malaysia (RM1.0 billion pledge) and Bank Islam (IFIRST programme).

We deliver the programme in collaboration with partners, including Bursa Malaysia, the United Nations Global Compact Network Malaysia & Brunei and Bank Negara Malaysia.

Increased Supplier ESG Maturity and Awareness



1,022 companies registered since the inception of the PETRONAS Supplier Support Programme. 850 companies and 1,320 individuals attended training sessions. 95 per cent of participants reported improved sustainability knowledge. 55 cumulative engagement sessions (32 in 2025) across Kuala Lumpur, Terengganu, Johor, Sabah and Sarawak. 4.7/5 average satisfaction rating achieved from engagement sessions.

Positive Action towards Reporting

125 companies submitted their GHG emissions data through the Centralised Sustainability Intelligence Platform.

Accessibility to Funding

~RM1.0 billion sustainability-linked financing available through partner banks. 161 suppliers registered interest to apply.

Fostering a Just Transition

Since its inception in 2024, the PETRONAS Supplier Support Programme has accelerated suppliers' engagement and sustainability capability development. Participation in structured training and awareness programmes continues to grow, indicating stronger supplier commitment to integrating sustainable practices within their operations.

Key initiatives, including the ESG START Maturity Assessment and the PETRONAS Supplier Sustainability Hub, support suppliers in building a foundational understanding of sustainability requirements and improving ESG management and disclosure capability. Through the ESG START Maturity Assessment, suppliers are screened and segmented into beginner, intermediate and advanced maturity levels, enabling clearer visibility of capability gaps across the supply chain. The programme then provides targeted support, helping suppliers progressively strengthen their human rights practices and sustainability disclosures.

The PETRONAS Supplier Sustainability Hub is a customised e-learning platform featuring industry-specific modules, case studies, and self-assessment tools. As of 2025, 123 companies had registered on the platform. The Hub provides practical guidance to help suppliers understand their current practices, build capability and improve performance. Companies participating in programmes such as the PETRONAS Supplier Support Programme use the Hub to access training, track progress and adopt responsible practices.

Increased ESG disclosures, positive engagement feedback and growing interest in sustainability-linked financing demonstrate progress. While our commitment to NZCE by 2050 focuses on Scope 1 and Scope 2 emissions, the PETRONAS Supplier Support Programme plays an enabling role by preparing suppliers for responsible business practices including emissions management.

Our collaborative model was recognised on several international platforms. It was featured in the Business Action Bank under the Marrakech Partnership for Global Climate Action in collaboration with the World Business Council for Sustainable Development (WBCSD), included in the COP30 Presidency's Granary of Solutions and presented at a WBCSD side event during the 14th United Nations Forum on Business and Human Rights. This recognition reflects how national energy companies can partner with industry stakeholders to advance collective progress on ESG priorities.

Supplier Development, Innovation and Technology Programmes

We continue to strengthen the OGSE ecosystem through long-standing suppliers development and technology innovation programmes. These initiatives focus on building technical depth, strengthening commercial readiness and enabling local companies to compete in both domestic and international markets.

Vendor Development Programme

Established in 1993, the Vendor Development Programme nurtures Bumiputera suppliers, which are companies owned or led by ethnic Malays, Orang Asli, and Indigenous Peoples of Sabah and Sarawak, to become more resilient, sustainable and competitive. The programme strengthens technical capabilities, enhances commercial readiness, encourages the development of locally developed technologies and supports business growth beyond domestic markets. Through this approach, the programme contributes to stronger local supply chains and enables SMEs to be more competitive and participate more effectively in the OGSE ecosystem.

Progress

- Supported 173 suppliers since 1993.
- Continued focus on capability development, market access and long-term competitiveness.

OGSE Sector Talent Development

PETRONAS has established platforms and mechanisms that help shape an enabling environment for Malaysian OGSE companies to build sustainable competitive advantage. This is achieved through targeted industry programmes delivered in collaboration with government agencies, training institutions and industry partners, focused on developing technical competencies in priority trades while supporting a sustainable pipeline of skilled local talent for the energy sector.

Industry-Specific Program Latihan Madani

The Human Resources Development Corporation, in partnership with the Construction Industry Development Board and PETRONAS, provides targeted funding under *Program Latihan Madani* to support OGSE-specific upskilling programmes. Approved in July 2025, with suppliers onboarded and engagement sessions commencing in August 2025, this initiative equips local graduates with industry-relevant skills for the oil and gas sector, helping to address capability gaps in technical trades while improving employability and supporting a sustainable pipeline of skilled talent for the energy industry.

2025 Achievements

- 90 apprentices across Peninsular and East Malaysia were successfully upskilled.
- 16 suppliers onboarded and actively supporting programme delivery.

Access to Financing

Financing and Incentive Structures

We support supplier resilience and growth by widening access to financing across different stages of business maturity, scale and readiness. Our financing ecosystem ranges from working capital support to sustainability-linked and capital-market pathways. These mechanisms help suppliers strengthen their financial capacity, invest in capability development and pursue growth opportunities.

Vendor Financing Programme

Launched in 2018, the Vendor Financing Programme improves access to working capital and contract financing for PETRONAS and OGSE suppliers. By improving suppliers' access to financing and stabilising cash flow during project execution, the programme strengthens supplier resilience and supports reliable delivery across the OGSE supply chain.

2025 Achievements

- Facilitated RM2.3 billion in financing across 378 applications to date.
- Helped suppliers manage cash flow, deliver contracts and sustain operations.

Special OGSE Financing Programme

The Special OGSE Financing Programme, launched in September 2022, provides an alternative financing option for OGSE suppliers, complementing the Vendor Financing Programme and supporting healthier cash flow positions. By addressing financing gaps among SMEs, the programme supports business continuity and strengthens participation across the OGSE ecosystem.

2025 Achievements

- Facilitated RM94.3 million in financing for 53 applicants since September 2022.
- Supported delivery continuity among under-served SME suppliers.

Bumiputera Vendor Financing Programme

Launched in January 2025, the Bumiputera Vendor Financing Programme, a Bumiputera financing programme, in collaboration with TERAJU, strengthens access to financing for suppliers through two facilities:

- Bumiputera Expansion and Catalyst Fund
- Islamic Working Capital Project Financing

Through these facilities, the Bumiputera Vendor Financing Programme helps build stronger Bumiputera participation in the energy supply chain while enabling suppliers to scale operations and deliver projects more effectively.

2025 Achievements

- Supported growth, market participation and project execution among PETRONAS and OGSE Bumiputera suppliers.

Fostering a Just Transition

Sustainable Vendor Financing Programme

Launched in 2024 under the PETRONAS Supplier Support Programme, the Sustainable Vendor Financing Programme provides sustainability-linked financing to support suppliers, mostly SMEs, in improving environmental performance and greening business operations. The programme supports suppliers in investing in more efficient technologies, improving ESG practices and aligning with rising sustainability expectations across the energy supply chain.

2025 Achievements

- Formalised partnerships with UOB Malaysia, Bank Islam, Alliance Bank, RHB Bank and Malaysian Industrial Development Finance Berhad (MIDF).
- Secured an RM1.0 billion allocation from UOB Malaysia under this facility.
- Enabled suppliers to invest in greening their business operations through sustainability-linked financing.

Road to Bursa Programme

The Road to Bursa programme, introduced in May 2019, supports and facilitates local suppliers in strengthening corporate governance practices and preparing for a listing on Bursa Malaysia. Through structured coaching and capability development, the programme supports the growth of stronger and more transparent companies while enabling suppliers to access broader capital market opportunities to scale their businesses.

Progress to Date

- Coached 36 companies towards listing.
- Four companies successfully listed on Bursa Malaysia to date.

Strengthening Industry Relationship

We strengthen industry relationships by recognising supplier contribution and supporting local development. In 2025, we recognised more than 90 suppliers who were awarded major contracts, acknowledging their role in advancing regional industry capability, delivery performance and economic participation.

Sustainability Impact

Strengthening supplier capability, enabling more consistent sustainability disclosure and improving access to financing will contribute towards strengthening the resilience and reliability of PETRONAS.

Through the PETRONAS Supplier Support Programme and related supplier development initiatives, suppliers have been supported in gaining improved access to sustainability-linked financing, strengthened governance practices and enhanced readiness to meet rising regulatory and market expectations. These efforts contributed to indirect economic impacts, including improved access to financing, increased listing readiness and opening up opportunities for participation of Malaysia's OGSE companies in regional and global value chains as more suppliers became eligible for opportunities requiring specific sustainability disclosures and governance adherence.

On GHG emissions, the focus has been to promote suppliers to start disclosing their emissions performance and enabling them to prepare for sustainability reporting. This specific effort supports national priorities on industrial competitiveness and transition readiness, including alignment with Malaysia's National Energy Transition Roadmap (NETR), National OGSE Sustainability Roadmap and NSRF, by improving industry preparedness for sustainability requirements.

3 Supporting Community Resilience

We uphold our commitment to respecting human rights. We aim to foster inclusive community engagement, consult and collaborate with stakeholders to gain new perspectives and understand the aspirations of those who may be affected by our decisions. Our goal is to contribute positively towards societal and economic development in the areas where we operate.

In doing so, we help communities build resilience and become better equipped in adapting to the changes brought about by the energy transition.

Our social impact investment programmes are designed with this in mind and prioritise three areas of action, namely, PETRONAS Powering Knowledge®, PETRONAS Uplifting Lives® and PETRONAS Planting Tomorrow®.

Why This Matters

The evolving energy landscape, supply chain activities and the broader energy transition influence employment patterns, local enterprises, social cohesion and surrounding ecosystems. As economic and technological shifts reshape industries and livelihoods, it is increasingly important to strengthen the capacity of communities so that they can participate in and benefit from long-term development.

Such resilience reflects the strength of a community's social and economic foundations. Access to education and skills, diversified income sources, and reliable basic services shape the ability of communities to adapt, participate, and benefit from evolving economic opportunities.

As Malaysia's national oil and gas company, and a partner to host nations, our role extends beyond energy operations to supporting national development priorities for growth and energy security. By aligning these priorities with local needs, energy development can strengthen social and economic foundations while delivering inclusive outcomes in Malaysia and across our host countries.

We continue to work closely with communities and governments to support long-term economic and social development, while strengthening our focus on responsible planning, prioritisation and delivery of activities.

PETRONAS social impact is executed through three pillars: Powering Knowledge®, Uplifting Lives® and Planting Tomorrow®, each addressing a different dimension of social and environmental well-being.

Our Approach

We deliver social impact through coordinated efforts across our business units and through Yayasan PETRONAS, our social impact arm in Malaysia. International social impact initiatives are delivered through our respective business units, to ensure programmes are tailored to local community needs and priorities.

We structure our social impact efforts around three priorities that reflect the foundations of strong and stable communities: skills that lead to employment, income diversification that strengthens household stability and ecosystem stewardship that supports responsible environmental management.

Delivery is implemented in partnership with government agencies, local institutions, industry partners and community organisations, supported by defined governance processes, funding oversight and performance tracking to ensure accountability and measurable outcomes.



Scan the QR code to visit Yayasan PETRONAS.

PETRONAS Powering Knowledge®	PETRONAS Uplifting Lives®	PETRONAS Planting Tomorrow®
<p>Education</p> <p>Builds future-ready skills and capability.</p>	<p>Community Well-Being and Development</p> <p>Supports livelihoods and basic security.</p>	<p>Environment</p> <p>Strengthens climate awareness and ecosystem care.</p>
Our Action Areas		
<ul style="list-style-type: none"> • Access to Education. • Capacity Building. 	<ul style="list-style-type: none"> • Access to Basic Needs. • Social Entrepreneurship Development. 	<ul style="list-style-type: none"> • Biodiversity Conservation. • Environmental Education and Climate Risk Management.

Fostering a Just Transition

Our Progress

In 2025, we invested more than RM500.0 million across our social impact portfolio, reaching more than 2.5 million people worldwide through initiatives in education, community well-being and development, and environmental stewardship.

PETRONAS Powering Knowledge®

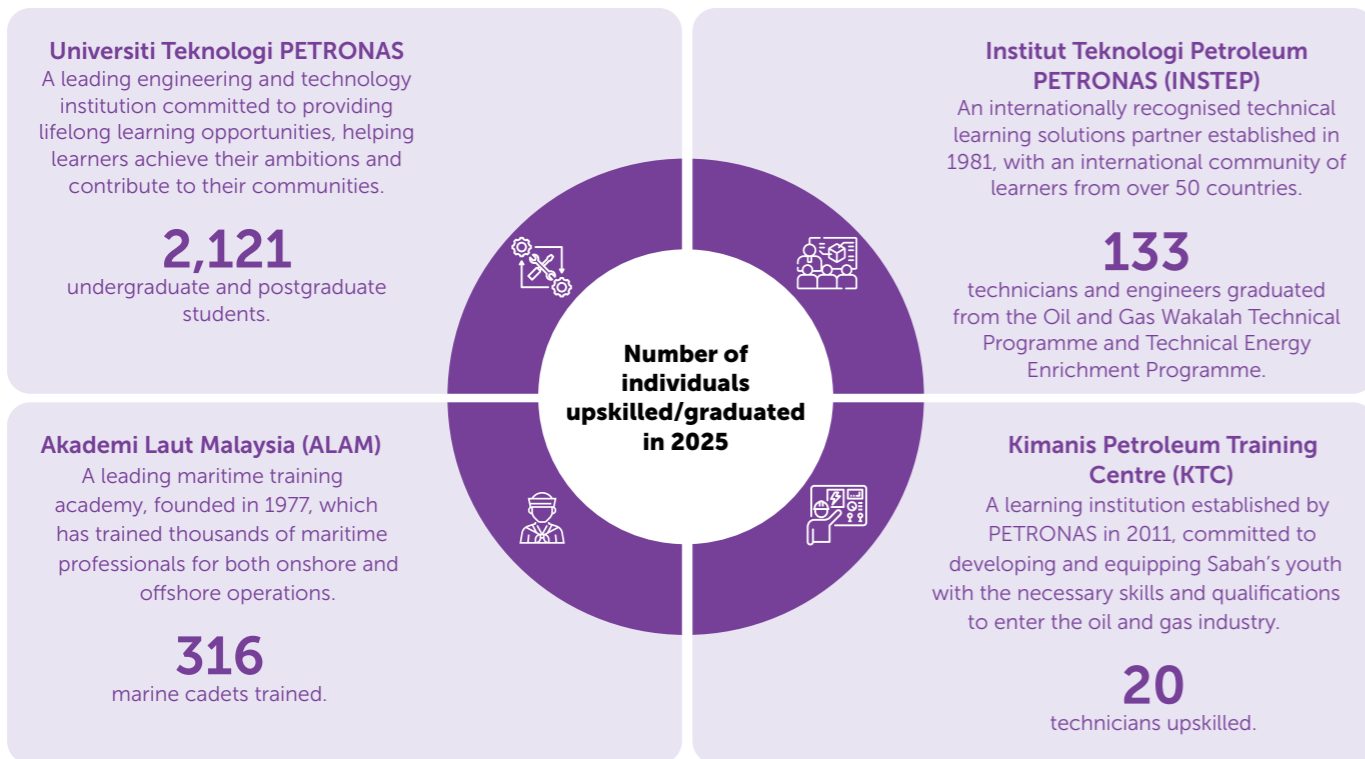
Powering Knowledge® builds on five decades of PETRONAS' investment in education as a foundation for national capability development. This pillar enables access to quality education, nurtures the right talent and promotes continuous learning, with a focus on Science, Technology, Engineering and Mathematics (STEM), Technical and Vocational Education and Training (TVET), and sustainability. It links education to a future-ready workforce through sponsorships, learning institutions, vocational pathways, early-career development and outreach. In doing so, we help expand opportunities and strengthen employability across communities.

PETRONAS works closely with government bodies, including the Ministry of Education and the Ministry of Higher Education, as well as learning institutions and industry partners to strengthen the national talent pipeline. This includes collaboration with the Ministry of Education to identify underserved schools and enhance STEM learning through the MADANI School Adoption Programme.

2025 Impact

Students and early-career participants gained access to sponsored education, technical certification and structured workplace exposure during and after their academic studies, supporting a progression from academic learning to industry-relevant skills development.

- Total beneficiaries of education sponsorship/grants/bursary: **1,414** recipients.
- Total pre-employment programme beneficiaries: **3,107** recipients under the Graduate Employability Enhancement Scheme and PETRONAS Internship Programme.



Access to Education

Access to Education is one of the action areas under Powering Knowledge®. It reduces financial and structural barriers to learning for students. Through education sponsorships, grants and bursaries, students who might otherwise defer or discontinue education were able to progress to the next stage of their education.

In addition to awarding education sponsorships, we provide student support through targeted in-kind contributions and one-off assistance to schools and families. Support for special needs educators and parents has improved the availability of inclusive learning resources, while back-to-school aid for children from economically-vulnerable families has eased immediate household financial pressures at the start of the academic year. Upgrades to classrooms, student innovation centres and science laboratories have enhanced the functionality and quality of learning environments in selected schools in Malaysia and other countries of operation.

Capacity Building

Capacity Building is the second action area under Powering Knowledge®. It develops talent and capability through investments in learning institutions, early-career pathways and vocational development. These efforts equip people with practical skills for meaningful employment and support a just transition by preparing talent for the evolving energy and technology sectors.

We strengthen technical training, competency certification, and apply research and industry-aligned curricula across our education ecosystem. Early-career readiness advances through the PETRONAS Internship Programme and the Graduate Employability Enhancement Scheme, which provide students and graduates with hands-on workplace experience.

Outreach and signature programmes, such as Discover PETRONAS @School, Xplor VISTA i-plus and Program Duta Guru, or the Teacher Ambassador Programme, strengthen vocational competencies and teaching capabilities. These programmes enhance technical capability, provide early exposure to workplace norms and support the professional growth of educators, indirectly igniting students' interest in STEM.

Petosains Tech4All

Petosains Tech4All advances inclusive STEM education by addressing structural barriers faced by Indigenous communities, including Orang Asli and Peribumi communities. Through science and robotics learning, the programme equips teachers with practical methods to deliver engaging, hands-on STEM instruction within their schools. The initiative is implemented in collaboration with Malaysia's Ministry of Education and the Offshore Petroleum Industry Training Organisation (OPITO).

Participating students and educators gain structured exposure to applied robotics and problem-solving beyond standard curricula. Participation in national and international platforms reflect increased technical confidence and competitive readiness among Indigenous students.

2025 Progress

- Reached more than 700 Indigenous students nationwide.
- Over 80 teachers trained in robotics pedagogy and AI-supported instruction.
- Five indigenous teams represented Malaysia at the 27th International Robot Olympiad in Queensland, Australia and secured five awards.



Scan the QR code to know more about Program Duta Guru.

Fostering a Just Transition

PETRONAS Powering Knowledge® Education Sponsorship

Since 1975, we have been empowering deserving students through sponsorship opportunities under the PETRONAS Powering Knowledge® Education Sponsorship, formerly known as the PETRONAS Education Sponsorship Programme, enabling them to unlock their potential and drive the growth of the organisation and the nation.

In 2025, we awarded education sponsorships to 689 *Sijil Pelajaran Malaysia** 2024 secondary school leavers and undergraduates pursuing tertiary studies.

Recipients from diverse backgrounds are pursuing studies in disciplines critical to national and industry needs, including chemical engineering, petroleum engineering, economics and other relevant fields, at Universiti Teknologi PETRONAS as well as leading national and international institutions.

Under the International Education Sponsorship Programme, 20 students from Turkmenistan and Suriname commenced fully sponsored five-year degree programmes at Universiti Teknologi PETRONAS. These sponsorships were delivered in close coordination with Malaysia's Ministry of Education and Ministry of Higher Education.

* Malaysian Certificate of Education.

2025 Progress

- Total investment in 2025: RM210.5 million*.
- 689 sponsorships awarded to outstanding 2024 secondary school leavers and undergraduates.
- 20 international scholars awarded under International Education Sponsorship Programme.
- More than RM3.8 billion education sponsorship disbursed to date, with more than 40,000 scholars supported since 1975.
- 6,616 volunteering hours contributed by scholars.
- 18,775 additional beneficiaries reached through mentoring, teaching and educational outreach volunteering activities conducted by PETRONAS scholars, including direct in-person engagement.

* Total investment in 2025 relates to currently active students.



Recipients of the PETRONAS Powering Knowledge® Education Sponsorship pictured with PETRONAS leaders at the 2025 Award Presentation Ceremony, marking a key milestone in their academic journey.

Borneo Bestari

Borneo Bestari is a targeted sponsorship programme that addresses unequal starting points in learning by supporting high-potential students from under-resourced communities in Sabah and Sarawak. Recognising that merit-based competition may disadvantage students with limited academic exposure and support, the programme pairs academic potential with structured and sustained assistance.

Delivered in collaboration with Yayasan Sabah, Yayasan Sarawak and State Education Departments, Borneo Bestari identifies high-performing Form 1 and Form 5 students and places them in top schools in Sabah and Sarawak, including full boarding schools in Peninsular Malaysia. Students receive financial support alongside exposure to leadership engagement, development and motivational programmes.

2025 Progress

- From the inaugural graduates, 13 out of 29 Form Five students selected and mentored under Borneo Bestari successfully secured the PETRONAS Powering Knowledge® Education Sponsorship.
- 65 students awarded with sponsorships under the Borneo Bestari Programme.

Building Technical Capability at INSTEP

Institut Teknologi Petroleum PETRONAS (INSTEP) is our centre of excellence for technical capability development, providing industry-aligned training that bridges academic learning with real-world operational requirements across the energy value chain. INSTEP trains more than 1,000 talents annually.

During the year, INSTEP strengthened technical readiness by expanding access to certification pathways and embedding sustainability competencies into vocational curricula. Competency-based training, aligned with industry standards, enabled participants to gain recognised qualifications in high-demand disciplines.

PETRONAS Energy Transition Academy

Launched in 2025 and institutionalised within INSTEP, the PETRONAS Energy Transition Academy (P-ETA) introduced structured capability development in decarbonisation, renewable energy, sustainability and energy efficiency. Through strategic partnerships with the Sustainable Energy Development Authority (SEDA) Malaysia, the Energy Institute (UK), OPITO and academic institutions, P-ETA delivers internationally aligned programmes that integrate sustainability into core technical training. This expands the availability of energy transition-related skills within Malaysia and positions INSTEP as a regional platform for specialised capability development in Southeast Asia.

In a significant step towards supporting P-ETA, INSTEP and Universiti Malaysia Terengganu launched the Centre for Offshore Renewable Energy (CEFORE), one of the world's first integrated models of offshore renewable energy sources with energy storage and management systems in September 2025.

The proof-of-concept facility, located off the coast of Kuala Terengganu, Malaysia, aims to deliver renewable and reliable power by harnessing offshore wind, solar and wave energy. It also features on-site energy storage and energy management systems to enable a continuous supply. The innovative model marks a new milestone in powering Malaysia's journey towards a sustainable energy future, aligning with the NETR and the country's sustainability pursuits as the entities progress their low-carbon agendas.

CEFORE accelerates innovation and talent development while bridging real-world needs with cutting-edge solutions. Through INSTEP, PETRONAS and Universiti Malaysia Terengganu are advancing renewable energy capability development and technical programmes at CEFORE, nurturing future-ready talent for the energy transition.

2025 Progress

Delivered technical talent development through:

- Oil and Gas Wakalah Technical Programme
 - Enrolled 137 participants in collaboration with Yayasan Pendidikan MAIDAM, which supports asnaf (students from low-income households eligible for zakat assistance) through education assistance, tuition and living expenses from school to tertiary level education.
 - Provided training in 6G Welding, Scaffolding and Wireman, leading to industry-recognised certifications.
- Technical Energy Enrichment Programme (TEP)
 - Enrolled 43 students under the pre-employment sponsorship programme.
 - Graduated 73 technicians from the TEP Plus Upstream.
- Integrated sustainability and energy transition into technical curricula
 - Secured a RM68.2 million Human Resources Development Corporation (HRD Corp) grant to train 527 future workers by 2027.
- Strengthened international knowledge exchange
 - Hosted participants from 10 countries under the Malaysian Technical Cooperation Programme.
- Achieved industry recognition
 - Received the 2025 Brandon Hall Group Gold Award for Human Capital Management Excellence.

Fostering a Just Transition

VISTA i-plus

VISTA i-plus (Vocational Integrated Skilled Talent Advancement) is our enhanced flagship vocational training programme within Malaysia's TVET ecosystem, strengthened in 2025 to deepen industry collaboration and align more closely with workforce needs in the Oil and Gas Services and Equipment (OGSE) sector. The programme focuses on five areas: Governance, Industry Involvement, Quality, Funding and Branding, in alignment with the National TVET Policy 2030.

The programme adopts an industry-led model that brings together government bodies, learning institutions and industry players to co-develop curricula, strengthen training quality and align programmes with evolving workforce demand.

In 2025, PETRONAS formalised this approach through the establishment of the VISTA i-plus Advisory Council, comprising industry leaders and government agencies, including Construction Industry Development Board Malaysia, HRD Corp, Malaysia Petroleum Resources Corporation, Malaysian Oil, Gas and Energy Services Council, representatives of Petroleum Arrangement Contractors, and the Secretariat of Majlis TVET Negara. The Council aligns TVET initiatives with industry requirements and strengthens workforce readiness for a changing energy sector.

Impact Delivered

- Achieved a 92 per cent employability rate, with 182 out of 198 graduates securing professional roles within six months of completion.
- Secured 65 per cent industry participation, with 26 out of 40 partners contributing to trainee assessments, student engagement, programme promotion and employment opportunities.
- Optimised programme funding, with around 30 per cent of total costs supported through external industry contributions.
- Strengthened visibility with a dedicated programme identity, supported by four student engagement initiatives and participation in eight conferences and exhibitions.

Building on the legacy of the VISTA programme established in 1992, VISTA i-plus continues to expand its reach and impact, with more than 14,000 graduates, partnerships with 37 TVET institutions nationwide and cumulative investment exceeding RM90.0 million.

During the year, PETRONAS further strengthened industry collaboration through course sponsorships, structured training support and outreach initiatives such as Xplore VISTA i-plus, as well as participation in *Hari TVET Negara* and Energy Asia 2025 to promote TVET as a viable pathway into technical careers.

2025 Progress

- Expanded to 37 TVET institutions nationwide.
- Recorded cumulative investment exceeding RM90.0 million since VISTA i-plus was established in 1992.
- Invested RM3.7 million in 2025, benefitting 985 individuals.
- Established VISTA i-plus Advisory Council to lead the industry collaborative model, driving the initiatives under VISTA i-plus at the national level.

PETRONAS Uplifting Lives®

PETRONAS Uplifting Lives® focuses on strengthening community well-being and socio-economic stability. It prioritises access to basic needs and livelihood opportunities so communities can sustain daily living conditions, generate income and participate further in economic and social activities.

We engage closely with stakeholders, including local communities, vulnerable households, community organisations, local institutions and government partners, at both the federal and state levels to support targeted and responsive programme delivery. Our participation in *GLC Demi Rakyat dan Negara*, a network of Government-linked Companies and Government-linked Investment Companies dedicated to driving sustainable social impact for Malaysia, aligns efforts to maximise national social impact and coordinated support to vulnerable communities. Domestic engagement at the state level in areas with oil and gas activities, including through the Joint Coordination Committee in Sabah and Sarawak, and the Joint Working Committee in Terengganu, Malaysia, enables local stakeholders to raise priority issues and co-develop solutions.

Programmes under PETRONAS Uplifting Lives® are anchored to national and local development priorities and implemented in partnership with Federal and State Governments, which provide policy alignment, regulatory support and strategic guidance. These collaborations help identify priority communities, locations and programme focus areas to ensure initiatives respond to local needs and development priorities. Local institutions and non-governmental organisations (NGOs) support on-the-ground delivery, build capability and strengthen local enterprise ecosystems.

2025 Progress

- Total Beneficiaries: More than 100,000 individuals reached across Malaysia and international operating countries.

Asia	Malaysia, Indonesia, Brunei, China, Oman, Turkmenistan and Iraq	North America	Canada
Europe	Spain and Poland	South America	Brazil and Suriname
		Africa	Gabon

- Beneficiaries Group: Underserved households (bottom 40 per cent income group in Malaysia), coastal communities (fishermen), women and youth, vulnerable children, senior citizens, persons with disabilities, rural and marginalised populations, as well as members of the broader public.

Access to Basic Needs

Access to Basic Needs focuses on improving conditions that affect daily living, health and safety. We prioritise clean water, sanitation, energy access and emergency support enabling households to meet essential needs, maintain productivity and manage periods of disruption.

Through targeted enhancement of facilities and relief programmes, underserved and off-grid communities gain access to essential services that improve safety, hygiene standards and overall living conditions. Energy access enabled longer productivity hours in affected households, supporting continuity in income-generating and educational activities.

Welfare assistance, including food aid and basic necessities, help ease short-term financial pressures among underserved households. Targeted healthcare support, including investments in medical research, facility improvements and essential equipment, enhances service capacity and improves access to care. These interventions address immediate service gaps and support more stable household conditions within communities.

Fostering a Just Transition

Social Entrepreneurship Development

Social Entrepreneurship Development enables communities to build sustainable livelihoods through enterprise. We strengthen entrepreneurial capability among youth and local communities enabling them to generate income, address local challenges and participate more actively in the economy.

Programmes blend business skills, mentoring, funding support and access to markets to equip aspiring entrepreneurs with practical skills in financial management, product development and operations. Supported ventures span areas such as education, sustainable agriculture, financial empowerment and health-related enterprises. These initiatives support the establishment and growth of income-generating activities and contribute to economic diversification within participating communities.

Solar Energy and Water Systems for Communities

Across Malaysia and selected international locations, PETRONAS supports rural electrification, clean water access and solar adoption at community and social institutions. These interventions improve access to reliable utilities in underserved and off-grid areas.

By providing reliable energy supply and safe water systems, participating institutions reduced dependency on inconsistent sources and improved daily operating conditions. Reliable electricity extended productive and study hours for households, while gravity water and rainwater harvesting systems improved hygiene and reduced exposure to water-related risks. Solutions were designed to be practical, easy to operate and aligned with local conditions, ensuring that benefits are sustainable.

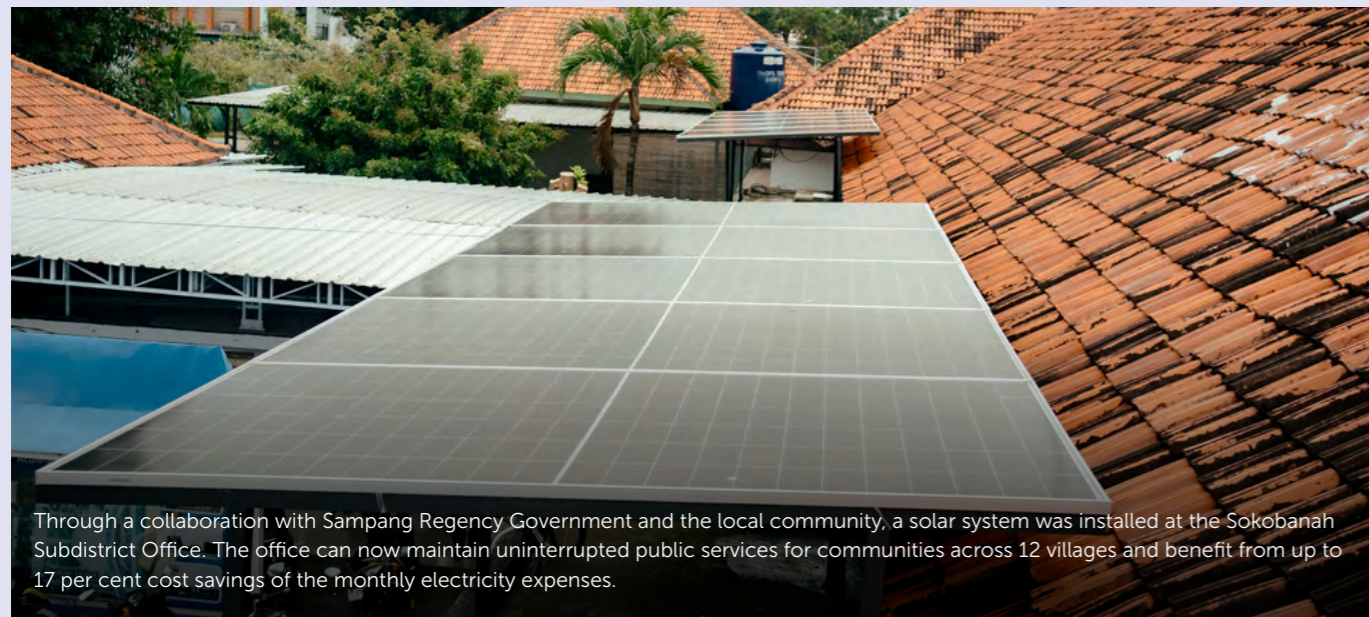
Selected locations:

Malaysia: Solar and water systems delivered to Orang Asli communities and welfare homes, including gravity water and rainwater harvesting, implemented with the Department of Orang Asli Development (JAKOA), state agencies and NGOs.

Indonesia: Rural electrification in Sokobanah District, Sampang, in collaboration with local government agencies.

2025 Progress

- Over 60,000 residents reached.
- More than RM3.5 million invested.



Through a collaboration with Sampang Regency Government and the local community, a solar system was installed at the Sokobanah Subdistrict Office. The office can now maintain uninterrupted public services for communities across 12 villages and benefit from up to 17 per cent cost savings of the monthly electricity expenses.

MEKAR

Memperkasakan Kesejahteraan Rakyat (MEKAR) is a programme that equips micro-business owners with business acumen and market access, supporting them to grow sustainable enterprises. The programme provides advanced entrepreneurial training, including packaging and branding development, quality management and intellectual property registration to enhance product competitiveness and expand market reach. By strengthening skills and commercial knowledge, MEKAR helps improve the living standards and income streams of underserved communities, fostering more resilient local economies.

Cumulative Impact

345 entrepreneurs from East Coast Economic Region benefitted.

1,616 entrepreneurs from Northern Corridor Economic Region benefitted.

SEEd.Lab

Social Enterprise Education Lab (SEEd.Lab) nurtures early-stage social enterprises addressing social and environmental challenges across Malaysia. The programme provides structured incubation, mentorship and access to networks to strengthen social enterprise readiness and operational capability.

Since its launch in 2020, SEEd.Lab has completed three cohorts and onboarded Cohort 4 in November 2025. To date, the programme has supported early-stage social enterprises operating in areas including youth unemployment, education, healthcare, personal and financial security, agriculture and circular economy. These ventures address community-level challenges through a multi-sector approach that is scalable and impactful.

Cumulative Impact

- 14 social enterprises incubated.
- 186 social entrepreneurs supported.
- More than 37,000 individuals impacted through the social enterprise activities.

PETRONAS Planting Tomorrow®

PETRONAS Planting Tomorrow® is our environmental social impact pillar. It advances biodiversity conservation, environmental education and climate-related risk management in communities and ecosystems connected to our operations.

Community participation is central to programme delivery, with environmental education, recycling initiatives and biodiversity conservation activities designed to build awareness and encourage responsible environmental practices. Through active involvement, communities contribute to conservation efforts, adopt more sustainable behaviours and improve resource management at the local level. This participation supports measurable outcomes, including increased environmental awareness, strengthened ecosystem stewardship and reduced environmental impact.

We also engage closely with public institutions and industry partners. Governments and regulators benefit from stronger environmental data and collaborative platforms. Industry partners participate in circular and conservation-linked initiatives that reinforce responsible resource management.

2025 Progress

- More than 400,000 people engaged in sustainability education and awareness activities.
- More than 950,000 kg of waste collected globally.
 - 749,000 kg of used cooking oil recovered.
 - More than 200,000 kg of plastics, textiles, e-waste and other materials collected.



Community involved in used cooking oil upcycling.

Fostering a Just Transition

Biodiversity Conservation

Biodiversity Conservation under Planting Tomorrow® supports the protection, restoration and responsible management of ecosystems connected to our communities and operations. Our initiatives focus on Nature-based Solutions, including reforestation, mangrove rehabilitation and marine protection, linking environmental care with community participation.

Marine and coastal programmes support the protection of coastal and offshore ecosystems while reducing pressure on vulnerable habitats. These efforts also enhance natural capital assessment and strengthen conservation planning through improved data collection and monitoring.

Environmental Education and Climate Risk Management

Environmental Education and Climate Risk Management strengthens sustainability literacy and practical action among students, educators and communities. Programmes focus on responsible consumption, waste reduction and understanding of climate-related risks.

Learning programmes explore topics such as microplastics, the three Rs (reduce, reuse and recycle) and responsible consumption through outreach activities, exhibitions and education platforms. Action-based initiatives complement awareness efforts. Waste collection drives, competitions and community campaigns mobilise large-scale material and waste recovery. Circular activities convert used textiles and plastics into new products, while used cooking oil recycling enables responsible disposal and material recovery.

These efforts increase community participation in waste management and embed more responsible consumption practices in daily routines. Circular initiatives also create supplementary income opportunities for participating groups where applicable, particularly among underserved communities.

We support community-led preparedness through our Disaster Preparedness and Response Programme, helping communities better prepare for natural disasters, including floods.

In 2025, the programme focused on 20 villages across Malaysia in Kuala Lumpur, Selangor, Negeri Sembilan and Perak. Working with local stakeholders, we established state-based project groups and delivered awareness, training and knowledge-sharing activities. Communities gained practical skills and tools, including flood hazard mapping, to strengthen risk identification and response planning.

The Seagrass Mapping and Community-based Programme

The Seagrass Mapping and Community-based Programme, implemented in collaboration with Universiti Putra Malaysia (Peninsular Malaysia except Johor), Universiti Malaya (Johor) and Universiti Malaysia Sabah (Sabah and Labuan), completed its first phase by mapping more than 1,800 hectares of seagrass ecosystems across Malaysia in Negeri Sembilan, Melaka, Johor and Sabah.

The initiative also engaged local communities through communication, education and public awareness activities, introducing participants to species identification, habitat coverage assessment and biodiversity monitoring. These activities strengthen local knowledge and support ongoing monitoring and management of seagrass ecosystems.

Sustainability Education Outreach Programme

Be Green is one of our sustainability education and outreach programmes that promotes responsible waste management and sustainability practices among students and educators. Delivered in collaboration with the Ministry of Education and the District Education Offices, the programme combines environmental education modules with hands-on recycling activities to reinforce practical waste segregation, recovery and responsible consumption within schools.

2025 Progress

- More than 120,000 students reached nationwide.
- 132 schools participated.
- More than 200,000 kg of recyclables collected.

Coverall Upcycling

In collaboration with Kloth Woman Up, a social enterprise initiative by Kloth Circularity that empowers women from marginalised communities through textile upcycling, we repurposed our own used industrial coveralls into commercial products. The initiative extends textile life and reduces material waste. It also provides supplementary income and flexible work arrangements to women from marginalised backgrounds involved in producing the upcycled items.

Since its inception during the COVID-19 pandemic at the Teluk Panglima Garang upcycling station in Selangor, Malaysia, the partnership has produced nine product lines, including laptop sleeves, plush toys and multipurpose pouches, available at Petrosains and PETRONAS Shop retail outlets.

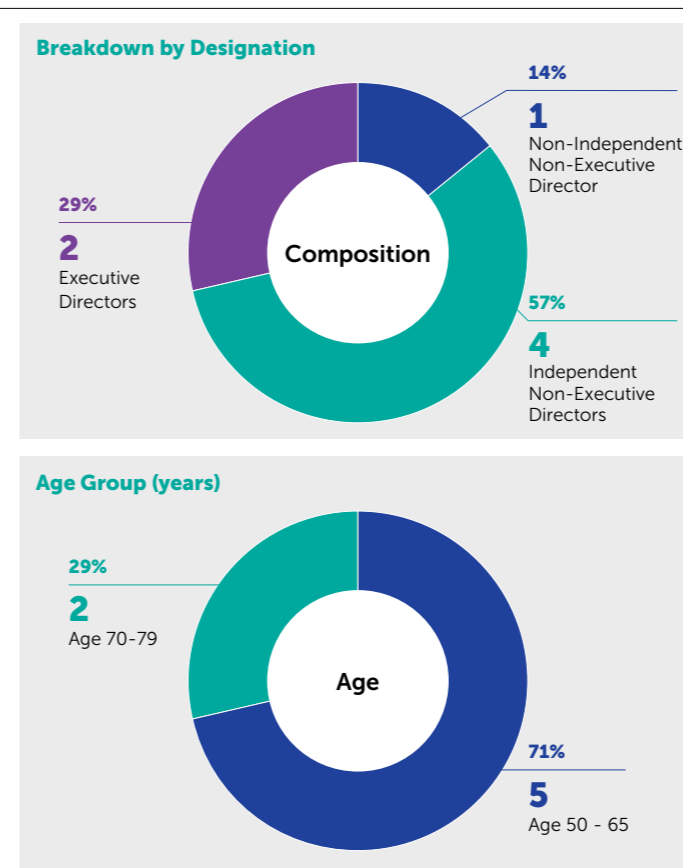
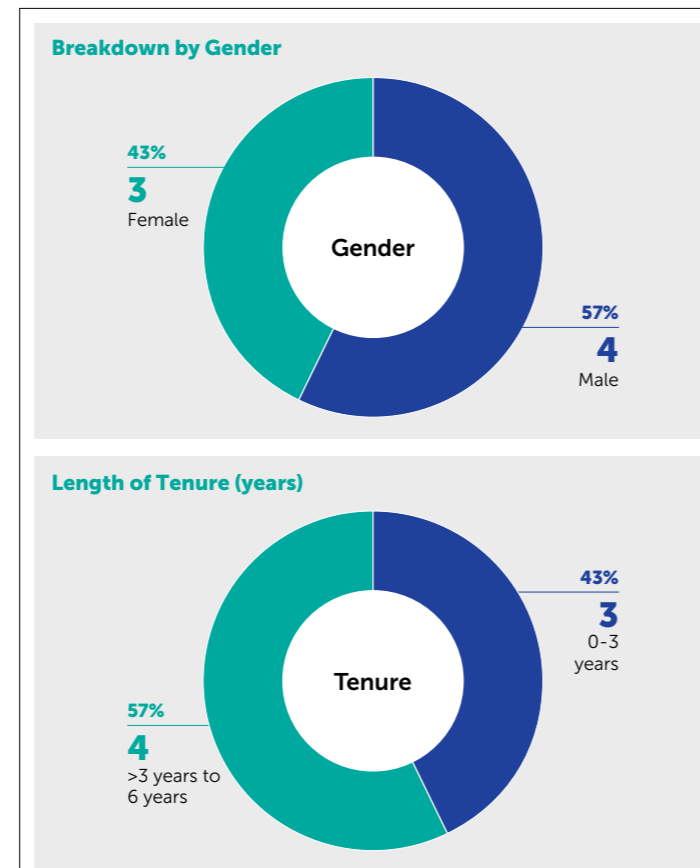
2025 Progress

- 289.15 kg of coveralls upcycled.



Board Composition

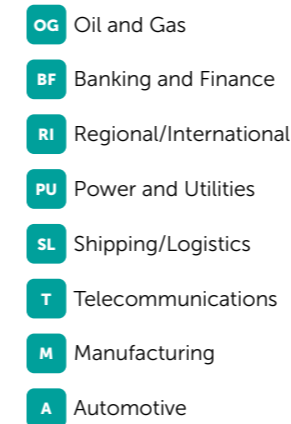
As at 28 February 2026



Board Skills and Expertise



Industry Experience



Skills Matrix



Profile of Board of Directors

As at 28 February 2026

Tan Sri Dato' Seri Mohd Bakke Salleh



Independent Non-Executive Director/Chairman

Industry Experience



Skills Matrix



Age and Gender 71 Years/Male	Nationality Malaysian	Date of Appointment 18 June 2019
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Academic/Professional Qualifications

- Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW)
- Member of the Malaysian Institute of Accountants (MIA)
- Bachelor of Science (Economics), The London School of Economics and Political Science, United Kingdom

Past Appointments/Experiences

- Held key positions in a number of Government-linked Companies and local corporations:
- Chairman, Telekom Malaysia Berhad
 - Chairman, Federal Land Development Authority (FELDA)
 - Group President and Chief Executive Officer, FELDA Global Ventures Holdings Berhad
 - Group Managing Director, FELDA Holdings Berhad
 - Chairman, Yayasan FELDA
 - Executive Deputy Chairman and Managing Director, Sime Darby Plantation Berhad
 - President and Group Chief Executive, Sime Darby Berhad
 - Council Member, Yayasan Sime Darby
 - Chairman, Malaysian Palm Oil Board (MPOB)
 - Chairman, Bank Islam Malaysia Berhad
 - Non-Executive Director, Eastern & Oriental Berhad
 - Group Managing Director and Chief Executive Officer, Lembaga Tabung Haji
 - Director, Property Division of Pengurusan Danaharta Nasional Berhad
 - Managing Director, Syarikat Perumahan Pegawai Kerajaan Sdn Berhad (SPPK)
 - Group General Manager, Island & Peninsular Berhad
 - Pro-Chancellor, Universiti Putra Malaysia
 - Honorary Council Member, Malaysian Palm Oil Association (MPOA)

Other Current Appointments

- Chairman, Yayasan PETRONAS
- Senior Advisor (Malaysia), AirTrunk

Commitment to Governance

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Profile of Board of Directors

As at 28 February 2026

Tan Sri Tengku Muhammad Taufik

Executive Director, President & Group Chief Executive Officer

Skills Matrix



Age and Gender 52 Years/Male
Nationality Malaysian
Date of Appointment 15 October 2018

Academic/Professional Qualifications

- Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW)
- Member of the Malaysian Institute of Accountants (MIA)
- Bachelor of Arts (Honours) (Finance and Accounting), University of Strathclyde, Glasgow, Scotland

Past Appointments/Experiences

- Possesses more than 24 years of experience in the oil and gas industry
- Areas of expertise include developing and steering key business strategies, organisational transformation, and finance and risk management
- Experienced in strategic planning, finance and business strategy development with a focus on the oil and gas and energy industry
- Advocate of a just and responsible energy transition by promoting regional partnership in shaping policy, innovation and technology
- Other key positions previously held:
 - Executive Vice President and Group Chief Financial Officer, PETRONAS
 - Partner at PricewaterhouseCoopers (PwC) Malaysia
 - Chief Financial Officer of listed entities

Other Current Appointments

- Chairman, Gentari Sdn Bhd
- Chairman, KLCC (Holdings) Sdn Bhd
- Chairman, PETRONAS Carigali Sdn Bhd
- Chairman, PETRONAS Carigali International Ventures Sdn Bhd
- Chairman, PETRONAS International Corporation Ltd
- Chairman, Malaysia-United Arab Emirates Business Council (MUBC)
- Chairman, National Trust Fund (NTF)
- Co-Chairperson, World Economic Forum (WEF) Oil and Gas Governors Community
- Council Member, North Corridor Implementation Authority (NCIA)
- Board Member, Malaysia-Thailand Joint Authority
- Member, Board of Trustees of the Merdeka Award Trust
- Pro-Chancellor, Universiti Teknologi PETRONAS (UTP)

Datuk Dr. Shahrazat Haji Ahmad

Non-Independent Non-Executive Director



Skills Matrix



Age and Gender 57 Years/Female
Nationality Malaysian
Date of Appointment 13 January 2025

Academic/Professional Qualifications

- PhD in Social Sciences (International Development in Economics) from The University of Kitakyushu, Japan
- Masters in Social Sciences (International Development in Economics) from International University of Japan
- Advanced Diploma in Accounting from MARA Institute of Technology

Past Appointments/Experiences

- Three decades of distinguished service in the Malaysian civil sector in areas including policy development, economics and accountancy in the public and private sectors
- Held various key positions including:
 - Deputy Secretary General of Treasury (Investment), Ministry of Finance (MOF)
 - Deputy Secretary General (Development), Ministry of Defence (MINDEF)
 - Deputy Director General (Development), Implementation Coordination Unit (ICU) of the Prime Minister's Department (PMD)
 - Director (Outcome Evaluation Division), ICU of PMD
 - Director (Social Division), ICU of PMD
 - Director (Economic Division), ICU of PMD
 - Deputy Director (Infrastructure Division), ICU of PMD
 - Principal Assistant Secretary, MOF
 - Assistant Secretary, MOF

Other Current Appointments

- Member of Audit Committee, PETRONAS
- Member of Risk Committee, PETRONAS
- Member of Nomination and Remuneration Committee, PETRONAS
- Non-Independent Non-Executive Director, Telekom Malaysia
- Non-Executive Director, Lumut Naval Shipyard Sdn Bhd
- Non-Independent Non-Executive Director, Rakan KKM Sdn Bhd
- Vice President, National Trust Fund (NTF)
- Board Member, Suruhanjaya Tenaga
- Board Member, Chairman of Integrity Committee and Member of Audit Committee, Lembaga Tabung Angkatan Tentera (LTAT)

Board Committee

Chairman

Members

AC Audit Committee

NRC Nomination and Remuneration Committee

RC Risk Committee

Tan Sri Zaharah Ibrahim

Independent Non-Executive Director



Skills Matrix



Age and Gender 73 Years/Female
Nationality Malaysian
Date of Appointment 17 August 2020

Academic/Professional Qualifications

- Bachelor of Laws (Honours) (LL.B), University Malaya

Past Appointments/Experiences

- Held key positions in the Judicial and Legal Service and the Judiciary in Malaysia:
 - Chief Judge of Malaya
 - Federal Court Judge, Federal Court, Putrajaya
 - Court of Appeal Judge, Court of Appeal, Putrajaya
 - High Court Judge, High Court of Malaya (Shah Alam and Kuala Lumpur)
 - Judicial Commissioner, High Court of Malaya (Kuala Lumpur and Shah Alam)
 - Parliamentary Draftsman, Attorney General's Chambers of Malaysia
 - State Legal Advisor, Selangor
 - Director, Intellectual Property Division, Ministry of Domestic Trade and Consumer Affairs
 - Magistrate, Melaka
- Chairman, Prasarana Malaysia Berhad
- Chairman, National Islamic Legislation Committee

Other Current Appointments

- Chairman of Nomination and Remuneration Committee, PETRONAS
- Member of Audit Committee, PETRONAS
- Member of Risk Committee, PETRONAS
- Pro-Chancellor, Universiti Teknologi PETRONAS (UTP)

Azizan Zakaria

Independent Non-Executive Director



Industry Experience



Skills Matrix



Age and Gender 55 Years/Male
Nationality Malaysian
Date of Appointment 15 November 2023

Academic/Professional Qualifications

- Fellow of the Chartered Association of Certified Accountants (FCCA)
- Member of the Malaysian Institute of Accountants (MIA)
- Bachelor of Science (BSc Hons) in Accounting from the University of Wales, Cardiff, United Kingdom

Past Appointments/Experiences

- Served as a Senior Partner of PricewaterhouseCoopers (PwC) Malaysia with over 26 years of experience in providing audit and business advisory services in Malaysia and the United Kingdom
- His expertise spans various areas, such as leading financial due diligences, forensic audits, internal audits, advisory, consulting services, reporting accountants and review engagements
- Member of PwC Malaysia's Country Management Team as People Leader
- Led PwC Malaysia's Southern Region practice
- Chairman of Audit and Risk Committee, SilTerra Sdn Bhd
- Member of ACCA Malaysia Advisory Committee
- Member of the Malaysian Accounting Standards Board (MASB)'s working Group on improvement projects
- Director, FGV Holdings Berhad

Other Current Appointments

- Chairman of Audit Committee, PETRONAS
- Chairman of Risk Committee, PETRONAS
- Member of Nomination and Remuneration Committee, PETRONAS
- Director, TNB Power Generation Sdn Bhd
- Chairman, IIUM Schools Sdn Bhd
- Director, IIUM Holdings Sdn Bhd

Profile of Board of Directors

As at 28 February 2026

Dato' Seri Abdul Rasheed Ghaffour

Independent Non-Executive Director

Industry Experience

BF RI

Skills Matrix

FA E CPD HR
ICT I RM S



Age and Gender 61 Years/Male
Nationality Malaysian
Date of Appointment 21 March 2025

Academic/Professional Qualifications

- Fellow Chartered Banker, Asian Institute of Chartered Bankers
- Master of Business Administration, Said Business School, University of Oxford, United Kingdom
- Bachelor of Economics, Universiti Malaya

Past Appointments/Experiences

- Past key positions in the Central Bank of Malaysia:
 - Deputy Governor
 - Assistant Governor
 - Alternate Executive Director, Southeast Asia Voting Group Office of the International Monetary Fund
- Co-Chair, ASEAN Senior Level Committee on Financial Integration
- Member, Board of Trustees of the South East Asian Central Banks (SEACEN) Trust Fund
- Chairman, National Coordination Committee to Counter Money Laundering (NCC)
- Chairperson, Board of Directors of Cagamas Berhad (the National Mortgage Corporation of Malaysia)
- Member, Board of Directors of the International Centre for Education in Islamic Finance
- Member, Board of Directors of the Iclif Leadership and Governance Centre
- Member, Board of Governors of the Asia School of Business
- Chairman, Board of Directors of ASB Management Sdn Bhd
- Member, Board of Directors and Executive Committee of the SEACEN Research and Training Centre
- Deputy Chairman, Executive Committee of the Islamic Financial Services Board
- Member, Markets Committee of the Bank for International Settlements
- East Asia Executives' Meeting of East Asia-Pacific Central Banks
- Member, ASEAN Finance Minister and Central Bank Deputies' Meeting
- Member, Executive Committee of ASEAN+3 Macroeconomic Research Office
- Member, Executive Level Decision Making Body of the Chiang Mai Initiative Multilateralisation

Other Current Appointments

- Governor, Central Bank of Malaysia
- Chairperson, Board of Directors of The SEACEN Centre
- Panel Member, National Trust Fund (NTF)
- Member, Board of Governors of The SEACEN Centre
- Council Member and Chairperson of Executive Committee of Islamic Financial Services Board
- Member, Board of Directors of Malaysia Deposit Insurance Corporation
- Member, Governing Board of International Islamic Liquidity Management Corporation

Liza Mustapha

Executive Director, Executive Vice President & Group Chief Financial Officer

Industry Experience

OG BF

Skills Matrix

FA O CPD RM



Age and Gender 55 Years/Female
Nationality Malaysian
Date of Appointment 1 June 2021

Academic/Professional Qualifications

- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Advanced Management Program, Harvard Business School, United States of America
- Member of the Malaysian Institute of Accountants (MIA)
- Bachelor of Science in Economics, majoring in Accounting and Finance, London School of Economics and Political Science, United Kingdom

Past Appointments/Experiences

- Vice President, Group Procurement, Project Delivery and Technology, PETRONAS
- Group Financial Controller, PETRONAS
- Chief Financial Officer, Upstream Business, PETRONAS
- Senior General Manager, Group Treasury, PETRONAS
- Chief Financial Officer, PETRONAS Gas Berhad
- Chairman, ENER GAS Insurance (L) Ltd

Other Current Appointments

- Director, MISC Berhad
- Director, KLCC Property Holdings Berhad
- Director, KLCC REIT Management Sdn Bhd
- Director, KLCC (Holdings) Sdn Bhd
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS International Corporation Ltd
- Director, Gentari Sdn Bhd
- Director, PETRONAS Carigali International Ventures Sdn Bhd
- Treasurer, Malaysian Petroleum Club

Profile of Company Secretaries

As at 28 February 2026

Azizi Md Ali

Group Chief Corporate Governance Officer & Company Secretary



Age and Gender 57 Years/Male
Nationality Malaysian
Date of Appointment 17 January 2024

Academic/Professional Qualifications

- Master of Laws, (LL.M), National University of Malaysia
- Bachelor of Laws (Honours) (LL.B), University of Malaya
- Licensed Company Secretary

Past Appointments/Experiences

- Joined PETRONAS in 1995 and has over 30 years of extensive experience in legal, corporate governance and company secretarial matters
- Previously served as the Company Secretary of Trans-Thai Malaysia, PICL (Egypt), PETRONAS Penapisan Terengganu, Aromatics (Malaysia), MITCO International Trading, E&P Operations & Maintenance, E&P Malaysia Venture and Vestigo
- General Counsel, Legal Upstream Malaysia, PETRONAS
- General Counsel, LNG Business, PETRONAS
- Senior General Counsel, Legal Upstream, PETRONAS
- Chief Compliance Officer, Legal Compliance and Finance, PETRONAS

Other Current Appointments

- Group Chief Corporate Governance Officer, Group Corporate Governance and Secretarial, PETRONAS
- Director, Malaysia Jet Services Sdn Bhd

Norwankiss Mohd Ridhuan Kau

Joint Company Secretary



Age and Gender 40 Years/Female
Nationality Malaysian
Date of Appointment 28 January 2025

Academic/Professional Qualifications

- Bachelor of Laws (Honours) (LL.B), International Islamic University Malaysia
- Licensed Company Secretary

Past Appointments/Experiences

- Joined PETRONAS in 2010 and has 16 years of experience in corporate secretarial services and advisory roles
- Previously served as Head of Corporate Secretarial - Non-Listed Companies and Corporate Secretarial - International
- Previously served as Company Secretary for Gentari Sdn Bhd, PETRONAS International Corporation Ltd, PETRONAS Carigali Sdn Bhd, and various other domestic and international entities within the PETRONAS Group

Other Current Appointments

- General Manager, Board and Governance, Group Corporate Governance and Secretarial, PETRONAS
- Secretary, PETRONAS Executive Leadership Team (ELT)
- Skill Group Advisor for Group Corporate Governance and Secretarial, PETRONAS

Profile of Executive Leadership Team

As at 28 February 2026



Tan Sri Tengku Muhammad Taufik

President & Group Chief Executive Officer

Age and Gender
52 Years/Male

Nationality
Malaysian

Date of appointment as Executive Leadership Team
15 October 2018

Academic/Professional Qualifications

- Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW)
- Member of the Malaysian Institute of Accountants (MIA)
- Bachelor of Arts (Honours) (Finance and Accounting), University of Strathclyde, Glasgow, Scotland

Past Appointments/Experiences

- Joined PETRONAS in 2000
- Possesses more than 24 years of experience in the oil and gas industry
- Areas of expertise include developing and steering key business strategies, organisational transformation, and finance and risk management
- Experienced in strategic planning, finance and business strategy development with a focus on the oil and gas and energy industry
- Advocate of a just and responsible energy transition by promoting regional partnership in shaping policy, innovation and technology
- Other key positions previously held:
 - Executive Vice President and Group Chief Financial Officer, PETRONAS
 - Partner at PricewaterhouseCoopers (PwC) Malaysia
 - Chief Financial Officer of listed entities

Other Current Appointments

- Chairman, Gentari Sdn Bhd
- Chairman, KLCC (Holdings) Sdn Bhd
- Chairman, PETRONAS Carigali Sdn Bhd
- Chairman, PETRONAS Carigali International Ventures Sdn Bhd
- Chairman, PETRONAS International Corporation Ltd
- Chairman, Malaysia-United Arab Emirates Business Council (MUBC)
- Chairman, National Trust Fund (NTF)
- Co-Chairperson, World Economic Forum (WEF) Oil and Gas Governors Community
- Council Member, North Corridor Implementation Authority (NCIA)
- Board Member, Malaysia-Thailand Joint Authority
- Member, Board of Trustees of the Merdeka Award Trust
- Pro-Chancellor, Universiti Teknologi PETRONAS (UTP)



Mohd Jukris Abdul Wahab

Chief Operating Officer, and Executive Vice President & Chief Executive Officer, Upstream

Age and Gender
58 Years/Male

Nationality
Malaysian

Date of Appointment
1 July 2024 (EVP & CEO Upstream)
1 February 2026 (COO)

Academic/Professional Qualifications

- Advanced Management Program, Wharton School, University of Pennsylvania, United States of America
- Senior Management Development Program, INSEAD, Singapore
- Bachelor of Science in Petroleum Engineering, Texas Tech University, United States of America

Past Appointments/Experiences

- Joined PETRONAS in 1990
- Has almost 36 years of experience in the oil and gas industry in the fields of petroleum engineering, strategic planning, resource development, and asset operations and management
- Other key positions previously held within the Group:
 - Vice President, International Assets
 - Vice President, Malaysia Assets
 - Senior General Manager, Petroleum Resource Development (PRD), PETRONAS Petroleum Management Unit (PMU)
 - Executive Assistant to the President & Group Chief Executive Officer
 - Chairman, PETRONAS Energy Canada Ltd
 - Chairman, PETRONAS Sudan

Other Current Appointments

- Chairman, PETRONAS CCS Ventures Sdn Bhd
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS Carigali International Ventures Sdn Bhd
- Trustee, Abandonment Cess Fund



Liza Mustapha

Executive Vice President & Group Chief Financial Officer

Age and Gender
55 Years/Female

Nationality
Malaysian

Date of appointment as Executive Leadership Team
1 July 2021

Academic/Professional Qualifications

- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Advanced Management Program, Harvard Business School, United States of America
- Member of the Malaysian Institute of Accountants (MIA)
- Bachelor of Science in Economics, majoring in Accounting and Finance, London School of Economics and Political Science, United Kingdom

Past Appointments/Experiences

- Joined PETRONAS in 1995
- Vice President, Group Procurement, Project Delivery and Technology, PETRONAS
- Group Financial Controller, PETRONAS
- Chief Financial Officer, Upstream Business, PETRONAS
- Senior General Manager, Group Treasury, PETRONAS
- Chief Financial Officer, PETRONAS Gas Berhad
- Chairman, ENER GAS Insurance (L) Ltd

Other Current Appointments

- Director, MISC Berhad
- Director, KLCC Property Holdings Berhad
- Director, KLCC REIT Management Sdn Bhd
- Director, KLCC (Holdings) Sdn Bhd
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS International Corporation Ltd
- Director, Gentari Sdn Bhd
- Director, PETRONAS Carigali International Ventures Sdn Bhd
- Treasurer, Malaysian Petroleum Club

Academic/Professional Qualifications

- Chartered Fellow of the Institution of Chemical Engineers (ICHEME)
- Advanced Management Program, Wharton School, University of Pennsylvania, United States of America
- Senior Management Programme, London Business School, London, United Kingdom
- Bachelor of Chemical Engineering, Lamar University, United States of America

Past Appointments/Experiences

- Joined PETRONAS in 1990
- Has 36 years of experience in the oil and gas industry in the fields of petroleum refining, petrochemicals, technical and engineering services and project delivery
- Other key positions previously held within the Group:
 - Senior Vice President and Managing Director/Chief Executive Officer of PETRONAS Chemicals Group Berhad
 - Managing Director/Chief Executive Officer, Malaysian Refining Company Sdn Bhd
 - Managing Director/Chief Executive Officer, PETRONAS Technical Sdn Bhd
 - Head, Group Project Management and Delivery, PETRONAS
 - Head, PETRONAS Group Technical Services
 - Various senior management positions in the refinery and petrochemical business within PETRONAS
 - Director, PETRONAS International Corporation Ltd
 - Director, PETRONAS Refinery and Petrochemical Corporation Sdn Bhd

Other Current Appointments

- Chairman, PETRONAS Chemicals Group Berhad
- Chairman, PETRONAS Marketing International Sdn Bhd
- Director, Pengerang Refining Company Sdn Bhd
- Director, Pengerang Petrochemical Company Sdn Bhd
- Director, PETRONAS Dagangan Berhad
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS Carigali International Ventures Sdn Bhd



Datuk Sazali Hamzah

Executive Vice President & Chief Executive Officer, Downstream

Age and Gender
59 Years/Male

Nationality
Malaysian

Date of Appointment
1 January 2022

Profile of Executive Leadership Team

As at 28 February 2026



Datuk Adif Zulkifli

Executive Vice President & Chief Executive Officer, Gas and Maritime

Age and Gender
55 Years/Male

Nationality
Malaysian

Date of Appointment
1 July 2024

Academic/Professional Qualifications

- Master of Business Administration, Kellogg School of Management, Northwestern University, United States of America
- Bachelor of Science (Honours) in Petroleum Engineering, Colorado School of Mines, United States of America

Past Appointments/Experiences

- Joined PETRONAS in 1993
- Has almost 34 years of experience in the oil and gas industry in the fields of petroleum engineering, operations, natural gas, LNG, strategic planning, corporate transformation, petroleum economics, mergers and acquisitions and business development
- Other key positions previously held within the Group:
 - Executive Vice President & Chief Executive Officer, Upstream
 - Executive Vice President & Chief Executive Officer, Gas and New Energy
 - Senior Vice President, Development and Production, Upstream
 - Senior Vice President, Corporate Strategy
 - Vice President, Malaysia Petroleum Management
 - Head, Strategy and New Ventures Division, Exploration and Production Business
 - Chairman, PETRONAS Research Fund
 - Chairman, PETRONAS Energy Canada Ltd

Other Current Appointments

- Chairman, PETRONAS Gas Berhad
- Chairman, Malaysia LNG Sdn Bhd
- Chairman, Malaysia LNG Dua Sdn Bhd
- Chairman, Malaysia LNG Tiga Sdn Bhd
- Chairman, PETRONAS LNG 9 Sdn Bhd
- Chairman, PETRONAS LNG Sdn Bhd
- Chairman, PETRONAS Canada LNG Limited
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS Carigali International Ventures Sdn Bhd
- Director, MISC Berhad



Marina Md Taib

Senior Vice President, Corporate Strategy

Age and Gender
53 Years/Female

Nationality
Malaysian

Date of Appointment
1 January 2024

Academic/Professional Qualifications

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

Past Appointments/Experiences

- Joined PETRONAS in 1999
- Has almost 27 years of experience in PETRONAS in the fields of finance and treasury, upstream and corporate planning
- Other key positions previously held within the Group:
 - Vice President, Treasury
 - Senior General Manager, Corporate Strategic Planning
 - Country Manager, Brunei
 - Head, Strategic Planning, Petroleum Management Unit

Other Current Appointments

- Chairperson, PTV International Ventures Ltd
- Chairperson, International Conference and Exhibition Professionals
- Chairperson, Board of Trustees, Petroleum Research Fund
- Chairperson, Impak Alam Sdn Bhd (formerly known as Digital Engineering Ventures Sdn Bhd)
- Director, PETRONAS Carigali Sdn Bhd
- Director, PETRONAS Carigali International Ventures Sdn Bhd
- Director, PETRONAS International Corporation Ltd
- Director, PETRONAS CCS Ventures Sdn Bhd
- Director, Pengerang Petrochemical Company Sdn Bhd
- Director, Pengerang Refining Company Sdn Bhd
- Director, Kuala Lumpur City Centre Development Sdn Bhd
- Director, PrimeSourcing International Sdn Bhd
- Director, PETRONAS Digital Sdn Bhd
- Director, PETRONAS Management Training Sdn Bhd
- Director, Institute of Technology PETRONAS Sdn Bhd
- Director, Malaysian Industry - Government Group for High Technology
- Trustee, Decarbonisation Fund



Datuk Ir. Bacho Piling

Senior Vice President, Malaysia Petroleum Management

Age and Gender
61 Years/Male

Nationality
Malaysian

Date of Appointment
1 February 2024

Academic/Professional Qualifications

- Advanced Management Program, Wharton School, University of Pennsylvania, United States of America
- Senior Management Development Program, INSEAD, Singapore
- Bachelor of Chemical Engineering, Cockrell School of Engineering, University of Texas, Austin, United States of America

Past Appointments/Experiences

- Joined PETRONAS in 1992
- Possesses more than 34 years of experience in the oil and gas industry
- Other key positions previously held within the Group:
 - Senior Vice President, Project Delivery and Technology
 - Vice President, Malaysia Assets, Upstream
 - Vice President, International Assets, Upstream
 - Senior General Manager, Petroleum Operations Management, Malaysia Petroleum Management, Upstream
 - Head, Special Projects, Corporate Strategic Planning
 - President, Sudd Petroleum Operating Company
 - President, White Nile Petroleum Operating Company
 - General Manager, Exploration and Production, Greater Nile Petroleum Operating Company
 - Chairman, PETRONAS Research Sdn Bhd
 - Chairman, PETRONAS Technical Services Sdn Bhd
 - Director, PETRONAS Technical Training Sdn Bhd
 - Director, UTP FutureTech Sdn Bhd
 - Director, PETRONAS LNG 9 Sdn Bhd
 - Director, Malaysia LNG Group of Companies
 - Director, Malaysia-Thailand Joint Authority
 - Trustee, Petroleum Research Fund

Other Current Appointments

- Director, Institute of Technology PETRONAS Sdn Bhd
- Director, The International Association of Oil & Gas Producers
- Trustee, Dana Asy-Syakirin
- Trustee, Abandonment Cess Fund

Academic/Professional Qualifications

- Fellow of the Institution of Chemical Engineers (IChemE)
- Fellow of the Energy Institute (FEI)
- Registered Professional Engineer, Board of Engineers Malaysia
- Advanced Management Program, Wharton School, University of Pennsylvania, United States of America
- Bachelor of Science in Chemical Engineering, Oklahoma State University, United States of America

Past Appointments/Experiences

- Joined PETRONAS in 1989
- Has 36 years of experience in the oil and gas industry in the fields of refining, chemicals, marketing and sales
- Other key positions previously held within the Group:
 - Senior Vice President and Managing Director/Chief Executive Officer of PETRONAS Chemicals Group Berhad
 - Vice President, Refining and Trading
 - Chief Executive Officer, PETRONAS Chemicals Olefins, Glycols and Derivatives
 - Director, ENGEN Limited

Other Current Appointments

- Chairman, PETRONAS Digital Sdn Bhd
- Chairman, PETRONAS Research Sdn Bhd
- Chairman, PETRONAS Technical Services Sdn Bhd
- Director, Pengerang Refining Company Sdn Bhd
- Director, Pengerang Petrochemical Company Sdn Bhd
- Director, UTP FutureTech Sdn Bhd
- Director, PETRONAS CCS Ventures Sdn Bhd
- Director, Institute of Technology PETRONAS Sdn Bhd
- Director, PrimeSourcing International Sdn Bhd
- Trustee, Dana Asy-Syakirin
- Trustee, Petroleum Research Fund



Ir. Ts. Mohd Yusri Mohamed Yusof

Senior Vice President, Projects, Engineering and Technology (PE&T)

Age and Gender
60 Years/Male

Nationality
Malaysian

Date of Appointment
1 January 2024

Profile of Executive Leadership Team

As at 28 February 2026



Razman Hashim

Senior Vice President, Group Legal & Group General Counsel

Age and Gender
52 Years/Male

Nationality
Malaysian

Date of Appointment
1 July 2021

Academic/Professional Qualifications

- Licensed Company Secretary
- Bachelor of Laws and Shariah, International Islamic University Malaysia

Past Appointments/Experiences

- Joined PETRONAS in 1998
- Has more than 27 years of experience in the legal and secretarial fields
- Other key positions previously held within the Group:
 - Senior General Counsel, Legal Upstream
 - General Counsel, Legal Upstream International, Legal Upstream
 - Company Secretary, PETRONAS Carigali Sdn Bhd and PETRONAS International Corporation Ltd
 - Director of various entities within the Upstream business
 - Member of Joint Management Committee of Garraf Operations, Iraq

Other Current Appointments

- Industry Mentor, Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia
- Director, KLCC (Holdings) Sdn Bhd
- Director, PETRONAS International Corporation Ltd



Ruslan Halim Islahudin

Senior Vice President & Group Chief Human Resources Officer

Age and Gender
50 Years/Male

Nationality
Malaysian

Date of Appointment
1 April 2024

Academic/Professional Qualifications

- Chartered Fellow of the Chartered Institute of Personnel and Development
- Advanced Management Program, Harvard Business School, United States of America
- Executive Master in Future Energy, ESCP Business School, France
- Master of Economics, Universiti Malaya, Malaysia
- Bachelor of Engineering, Imperial College London, United Kingdom

Past Appointments/Experiences

- Joined PETRONAS in 1997
- Has almost 28 years of experience in various leadership roles in areas such as marketing and trading, risk management, corporate strategy, corporate communication, mergers and acquisitions, and human resource management
- Other key positions previously held within the Group:
 - Chief Executive Officer, PETRONAS Leadership Centre
 - Senior General Manager, Human Capital Development, Group Human Resources Management
 - Senior General Manager, Human Capital Strategy, Group Human Resources Management
 - Regional Managing Director, Asia Pacific, PETRONAS Lubricants International Sdn Bhd
 - General Manager, Corporate Strategy and Communications, ENGEN Petroleum Limited, Cape Town, South Africa
 - Executive Assistant to the President and Group Chief Executive Officer
 - General Manager, Risk Management Department, PETRONAS Trading Corporation Sdn Bhd

Other Current Appointments

- Chairman, PETRONAS Technical Training Sdn Bhd
- Chairman, PETRONAS Management Training Sdn Bhd
- Chairman, Dana Asy-Syakirin
- Director, Institute of Technology PETRONAS Sdn Bhd
- Director, PETRONAS Lubricants International Sdn Bhd
- Director, Malaysian Maritime Academy Sdn Bhd
- Member, World Business Council for Sustainable Development
- Commissioner, Business Commission to Tackle Inequality

Corporate Governance at PETRONAS

Board Governance and Structure

At PETRONAS, we remain dedicated to applying the best standards of corporate governance across the Group. Our aim is to play a key role in the energy transition, focusing on energy security and delivering energy solutions responsibly. The PETRONAS Energy Transition Strategy centres on creating long-term value for our stakeholders.

Corporate governance plays a crucial role in promoting sustainable value creation by providing the necessary framework for accountability, transparency and structure within the Group. In this pursuit, our Board remains fully committed to discharging its responsibilities to shareholders and stakeholders. The Board sets the tone at the top by promoting effective leadership, upholding ethical standards and establishing strong governance to support sound decision-making and long-term value creation.

PETRONAS' governance practices are reinforced through applicable laws and recognised governance principles, taking into account the nature and corporate structure of the Company.

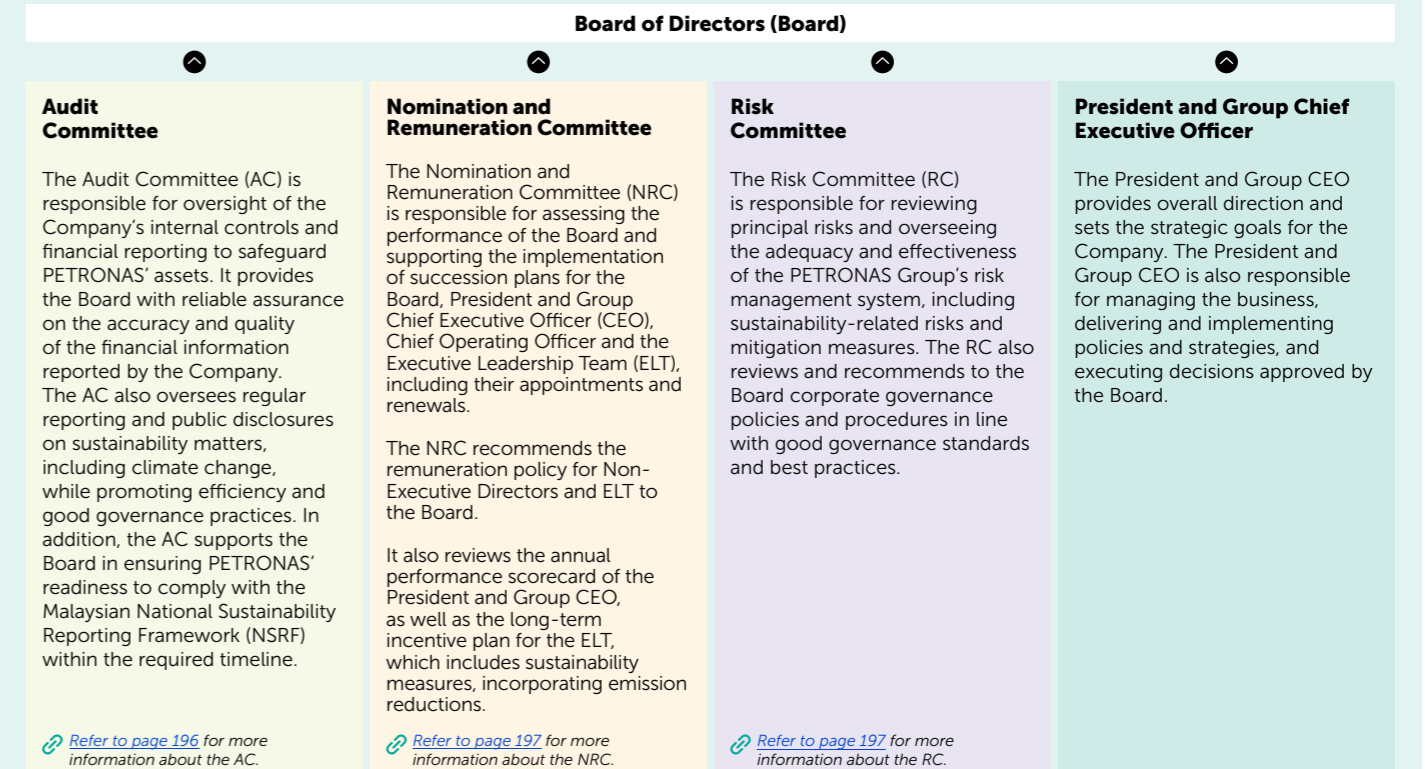
In addition, PETRONAS is guided by the provisions set out in the Guidelines on Governance and Board of Directors of Companies under the Minister of Finance (Incorporated) 2024, which govern the management and oversight of companies majority-owned by the Minister of Finance (Incorporated). This reflects PETRONAS' commitment to upholding strong governance practices.

These principles also underpin our approach to safeguarding corporate reputation, enhancing investors' confidence and protecting stakeholders' interests.

PETRONAS is led by a Board whose Directors are collectively responsible for creating and delivering long-term sustainable value for the business. A key responsibility of the Board is to balance the diverse interests of the Group, its workforce and the wider communities it serves. Our governance structure ensures role clarity by clearly delineating responsibilities and duties required to govern the Company effectively. The Board sets the Company's strategic direction and exercises appropriate oversight over Management, while discharging its fiduciary duties and leadership responsibilities. The Board also promotes strategic alignment across the Group and facilitates efficient decision-making at all levels. This integrated approach strengthens PETRONAS' ability to address immediate priorities while maintaining a forward-looking focus.

Governance Structure

Our governance structure illustrates the oversight role of the Board and the interconnected components of governance that facilitate effective interaction and information flow between the Board and the Executive Leadership Team. The table below outlines the Group's governance structure and provides an overview of the key committees of the Board and the Executive Leadership Team.



Executive Leadership Team

The ELT assists the President and Group CEO in managing the Company's business affairs. It is responsible for providing a holistic approach to business strategies, and also high-impact and high-value investments, including matters relating to mergers and acquisitions, and Health, Safety, Security and Environment (HSSE). The ELT also discusses specific topics, at dedicated meetings such as Sustainability, Innovation and Technology and People Development.

Corporate Governance at PETRONAS

Board Leadership

The Board provides effective stewardship and is responsible for the Group's strategic direction and overall control of the Company. This is achieved through a structured governance framework, clear delegation of authority, robust risk management and a comprehensive system of assurances covering financial reporting and internal controls. The Board is accountable to its shareholders while also recognising its responsibilities towards a broader range of stakeholders including employees, suppliers and communities.

The Board fulfils its fiduciary and leadership responsibilities by setting and reviewing policies to ensure compliance with evolving business and regulatory requirements, safeguarding stakeholders' interests beyond shareholders and maintaining transparency through accurate financial reporting. It oversees risk management, internal controls and succession planning to ensure continuity while supporting investor relations and shareholder engagement. The Board also provides strategic oversight by approving and monitoring corporate plans covering business strategy, financial targets, talent development, risk frameworks, sustainability and digital transformation initiatives.

Each Director is bound by a duty to act in good faith and in the best interest of the Company, exercising reasonable care, skill and diligence. The Board's roles and responsibilities are defined in the Board Charter, which outlines its authority, responsibilities and operations.

The distinct roles of the Chairman and the President and Group CEO are clearly delineated within the Board Charter. To ensure independent leadership and oversight, the Chairman is not a member of any of the Board Committees.

The Board exercises collective oversight at all times. In delegating authority to its committees, the Board does not abdicate its responsibilities and ensures that such delegation does not impede its ability to discharge its core duties. The Board clearly sets out the division of responsibilities in the Terms of Reference (TOR) of each committee, which define their scope of authority, roles and accountabilities of each Committee.

In strengthening oversight effectiveness, the Board approved revisions to the Audit Committee (AC) TOR at its meeting held on 29 May 2025 in conformance with the Global Internal Audit Standards (GIAS) requirements. These revisions, including the revisions made to the TOR of the Nomination and Remuneration Committee and Risk Committee in 2024, were undertaken to ensure continued clarity of roles, enhanced oversight effectiveness and alignment with evolving governance expectations.

In line with these revisions, the Board approved a comprehensive review of the PETRONAS Board Charter on 28 August 2025 to ensure the document remains accurate, relevant, and fully aligned with the revised TORs of the Board committees.

Together with Management, the Board fosters a culture of good governance within the Company, characterised by ethical leadership, professional conduct and prudent decision-making across all activities.

How the Board Functions

The Board meets regularly, with additional meetings scheduled as necessary to address emerging matters. Each meeting follows a formal and structured agenda, and board papers are circulated in a timely manner to ensure Directors are well-informed and that discussions and decisions are constructive and robust.

Directors access meeting materials online through a collaborative digital platform, enhancing efficiency and enabling them to review, discuss and confer electronically with each other and the Company Secretaries. Board Papers and Management presentations are prepared and delivered to provide clarity and a comprehensive understanding of each subject.

In 2025, the Board met 24 times, with all meetings conducted physically. The meeting frequency reflects the Board's commitment to active engagement, timely decision-making and rigorous governance practices. Each session provides a platform for in-depth deliberation on strategic matters, financial performance, emerging risks and key projects, enabling the Board to provide clear guidance and oversight.

Each Director has access to the Company Secretaries, who provide expert guidance on corporate governance, ethical business practices, compliance with the Company's Constitution, policies, procedures, and relevant regulatory requirements, guidelines and legislation.

From time to time, the Board may consider and approve urgent matters via Directors' circular resolutions, all of which are tabled at the next Board meeting for notation.

The Board encourages active and open discussions at its meetings, ensuring all Directors have the opportunity to participate and contribute to decision-making. Robust deliberations support effective and constructive conversation.

Updates from Board Committees are regularly provided by their respective chairpersons to maintain alignment and oversight.

All proceedings of the Board and its Committees are duly minuted, which are subsequently confirmed and signed. Minutes accurately reflect the Board's deliberations and decisions, including any dissenting views or instances where Directors abstained from voting or participating in specific matters. The Company Secretaries are responsible for maintaining proper records of all minutes of meetings.

Matters Reserved for the Board

The Board maintains an approved and documented schedule of matters reserved for its decision, as follows:

- 1 Strategy and Management**
Strategy, policies, annual budgets and major investment decisions, including capital projects, mergers and acquisitions, and funding requirements.
- 2 Financial, Governance and Risk**
Financial reporting and control, and risk management.
- 3 Board**
Board and Committees membership, remuneration and nominations.
- 4 Corporate Matters**
Reputation and stakeholder management, Health, Safety, Security and Environment (HSSE), incorporation of subsidiary companies and other corporate operations.
- 5 Other Matters**
Matters considered by the Board may include, among others, litigation or arbitration, material contracts, delegation of authority and shareholder engagement.

The Board's 2025 Key Focus Areas and Priorities

Strategy

Key Focus Areas	Description
The Group's Strategic Initiatives and Plans	The Board deliberated on long-term strategic options and provided relevant feedback to steer the Group's direction.

The Group's Business Plan and Budget

The Board reviewed and approved the Company's business plan, strategic targets, operational plan and financial forecasts. It deliberated on potential risks and challenges - both internal and external - that could affect the achievement of the business plan. The Board also approved the budget required to execute the business plan effectively.

Financial

Key Focus Areas	Description
The Group's Performance	The Board received monthly updates on performance against business targets. Progress is measured and tracked against approved key performance indicators.

Dividends

The Board considered and approved the proposal on the declaration of dividends.

Risk and Internal Controls

Key Focus Areas	Description
Enterprise Risks	The Board deliberated and approved, on a quarterly basis, the critical risks that may significantly impact the business goals and targets. It continuously monitors the agreed mitigation measures to manage or reduce the likelihood and impact of these critical risks. Key risk indicators, which provide early warnings of risk manifestation, are reported to ensure risks undertaken in pursuit of business objectives remain within acceptable levels.

The Board approved the Company's risk appetite, which defines key operational boundaries; any breach is escalated to the Board for deliberation. In its aim to achieving comprehensive risk-based decision-making, the Board also deliberated on risks related to high-impact business matters, such as projects' final investment decisions, to assess feasibility and commercial viability.

Corporate Governance and Compliance

Key Focus Areas	Description
Succession Planning	The Board ensures the existence of an appropriate succession plan for its Directors. In this regard, it is guided by the Fit and Proper Policy, which enhances the Board Selection Criteria for appointments and reappointments of Directors. This includes consideration of character, integrity, experience, competence and commitment to contributing effectively.

Sustainability

Key Focus Areas	Description
Sustainability Targets	The Board considered and approved PETRONAS' targets on nature-positive outcomes and resource efficiency to support the implementation of the 'Thriving with Nature' element in the PETRONAS Sustainability Approach.

Sustainability Governance

The Board reviewed and approved the incorporation of sustainability into the Board's skills matrix. This helps to ensure a structured path to strengthen future readiness and to help ensure that the Board continues to possess the expertise required for effective oversight of sustainability matters, including climate change and human rights.

Corporate Governance at PETRONAS

Roles and Responsibilities of the Board

Chairman

- Responsible for the effective running of the Board and ensuring that the Board plays a full and constructive role in the development and determination of the Company's and the Group's strategy and overall commercial objectives.
- Leads the Board in setting the Company's values and ethical standards.
- Promotes the best standards of integrity and corporate governance at Board level.

President and Group Chief Executive Officer

- Responsible for all executive management matters affecting the Company and/or the Group.
- Leads the Executive Leadership Team (ELT).
- Develops and recommends the long-term strategy and vision for the Company and/or the Group.
- Fosters a corporate culture that promotes ethical practices, encourages individual integrity and supports the fulfilment of the Company's corporate responsibilities.
- Champions the Company's values and behaviours across the Group.

Executive Directors

- Provide comprehensive industry acumen and strategic insights from PETRONAS' perspective.
- Steer and manage the Company's strategic direction and operational management.
- Ensure alignment with the Board's directives, and the implementation of Board-mandated policies.
- Oversee daily business operations, internal controls and management processes.

Non-Executive Directors

- Provide alternative perspectives and constructively challenge proposals to ensure the Board objectively considers all relevant matters.
- Oversee the performance of senior management.
- Monitor the delivery of the Group's strategy within the risk and control environment set by the Board.
- Bring independent judgement and scrutiny to Board's decision-making process.

Company Secretaries

- Facilitate the effective operation of the Board and its Committees.
- Ensure Directors receive accurate, timely and clear information to enable the effective discharge of their responsibilities.
- Provide advice and guidance to the Board and its Committees on governance matters and ethical business practices.

Attendance at Meetings

A total of 24 Board meetings were held during the year under review.

Details of the number of Board and Board Committee meetings held during the year ended 31 December 2025, together with individual Directors' attendance records, are presented in the table below:

Directors as at 28 February 2026

	Board	AC	NRC	RC
Tan Sri Dato' Seri Mohd Bakke Salleh <i>Chairman/ Independent Non-Executive Director</i>	23/24	—	—	—
Tan Sri Tengku Muhammad Taufik <i>Executive Director/ President and Group Chief Executive Officer</i>	24/24	—	—	—
Tan Sri Zaharah Ibrahim <i>Independent Non-Executive Director</i>	24/24	7/7	6/6	7/7
Liza Mustapha <i>Executive Director/ Group Chief Financial Officer</i>	24/24	—	—	—
Datuk Dr. Shahrazat Haji Ahmad <i>Non-Independent Non-Executive Director (Appointed on 13.01.2025)</i>	23/24	7/7	6/6	6/7
Azizan Zakaria <i>Independent Non-Executive Director</i>	24/24	7/7	6/6	7/7
Dato' Seri Shaik Abdul Rasheed Abdul Ghaffour <i>Independent Non-Executive Director (Appointed on 21.03.2025)</i>	18/21	—	—	—

Corporate Governance at PETRONAS

Board Balance and Effectiveness

Board Balance and Composition

As at the date of this report, the Board comprises seven members, an Independent Non-Executive Chairman, two Executive Directors and four Non-Executive Directors (NEDs), of whom three are Independent Non-Executive Directors (INEDs).

[The profiles of the Directors are available on pages 175 to 178.](#)

The size and composition of the Board is fundamental to its effectiveness in providing strong leadership and oversight. The presence of NEDs ensures that no individual or small group of Directors can dominate the decision-making process, while safeguarding the interests of shareholders and other stakeholders.

During the year under review, there were changes to the Board's composition.

The Board welcomed Dato' Seri Shaik Abdul Rasheed Abdul Ghaffour as INED to the PETRONAS Board, with effect from 21 March 2025.

The current composition reflects a balanced mix of skills, experience and knowledge, which enables the Board to provide effective oversight, strategic guidance and constructive challenge of management proposals.

The Nomination and Remuneration Committee (NRC) is responsible for reviewing the Board's composition and assessing whether the balance of skills, experience, knowledge and independence is appropriate to ensure the Board performs effectively and remains high performing.

Fit and Proper Policy

The Fit and Proper Policy was established to strengthen the PETRONAS Board Selection Criteria, ensuring that all appointed or re-elected Directors within the PETRONAS Group demonstrate the requisite character, integrity, experience, competence and commitment to discharge their responsibilities effectively.

Under this policy, the Board, through its NRC, conducts a fit and proper assessment for individuals identified for appointment as Directors or for reappointment to continue in their roles. This evaluation is undertaken prior to the appointment or reappointment, ensuring that each candidate meets the high standards expected of the position and can contribute effectively to the Group's governance and strategic objectives.

Diversity

The Board recognises the importance of diversity and the value it brings to the Group. While promoting diversity is a priority, the primary criteria for the selection of Directors remain focused on achieving an effective blend of competencies, skills, experience and knowledge in the areas identified by the Board to carry out its functions and duties effectively. The Board is committed to ensuring that its composition reflects diversity and has the right mix of skills and balance to contribute to the achievement of the Company's goals and objectives.

To complement this focus on a balanced and competence-driven Board composition, the Company also emphasises strengthening diversity within its leadership structure, particularly in terms of gender representation. As of the date of this report, PETRONAS has three women Directors, representing 43 per cent of the Board's composition. This aligns with the expectations set out in Practice 5.9 and Practice 5.10 of the Malaysian Code on Corporate Governance 2021 (MCCG 2021). The Board remains committed to fostering a corporate culture that actively promotes gender diversity and equal opportunity at all levels of the organisation.

Board Independence

The Board conducts an annual assessment of the independence of its Non-Executive Directors (NEDs). This assessment considers whether each NED has demonstrated an independent state of mind and objective judgement in their deliberations and decision-making. The independence of NEDs may also be assessed under the following circumstances:

Prior to the Appointment	Annual Review	Notice of Change in Circumstances
Before the appointment of a NED, the Board reviews and determines the independence of each candidate based on the recommendations from the NRC, in accordance with the PETRONAS Independent Directors Guidelines.	The Board determines the independence of each NED annually, based on the recommendations from the NRC, in line with the PETRONAS Independent Directors Guidelines.	Each NED is obliged to notify the NRC of any change in circumstances that may affect their independence status. Upon notification, the NRC re-evaluates the independence of the Director and makes the necessary recommendations to the Board.

The Independent Non-Executive Directors (INEDs) are appointed for their specific experience and expertise, and are independent of management, free from any business or other relationships that could materially interfere with the exercise of their judgement. NEDs may serve on the boards of other companies, provided there is no conflict of interest, and such appointments do not restrict their ability to discharge their duties to PETRONAS effectively.

In line with the exemplary practices of corporate governance, the Board has adopted a tenure policy capping the total service of INEDs on the Board at nine years. As of the date of this statement, no INED has exceeded the tenure limit.

Conflict of Interest

To ensure transparency and integrity in the decision-making process and to prevent conflicts of interest, a declaration of interests by Directors is a fixed agenda item at the commencement of every Board meeting. Directors with a direct or indirect interest in any transaction are required to recuse themselves and abstain from deliberations and voting. This practice ensures impartial discussions and unbiased decision-making. The nature and extent of each Director's interest, as well as their abstention from proceedings, are duly recorded in the minutes of the Board meetings.

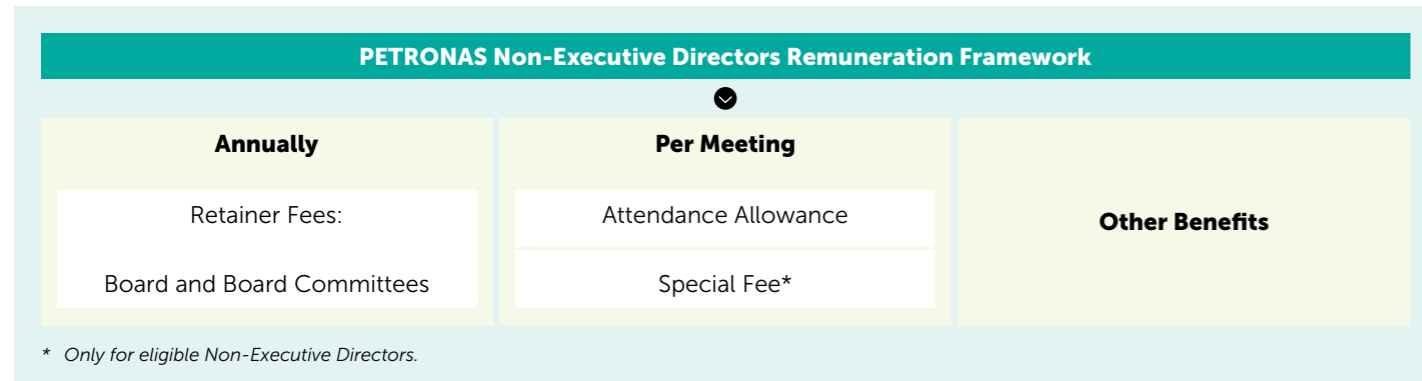
The Principles of Directorship for the PETRONAS Group are established to govern the conduct of Directors in situations involving potential conflicts of interest. These principles align with the Companies Act 2016 and the PETRONAS Code of Conduct and Business Ethics (CoBE).

In addition, Directors are required to declare their interests annually, in compliance with the disclosure requirements outlined in the Company's audited financial statements. This process reinforces PETRONAS' commitment to upholding governance standards and ensuring accountability at all levels.

Corporate Governance at PETRONAS

Board Remuneration Policy

In recognition of the highly competitive market for board talent, PETRONAS has designed a robust fee structure to attract, retain and appropriately compensate its diverse and internationally experienced NEDs. Details of this remuneration framework are outlined below:



Board Onboarding and Professional Development Programme

The Board recognises the importance of providing new Directors with a thorough introduction to the business, enabling them to make a full and meaningful contribution. To this end, the Board has adopted a comprehensive onboarding programme for new Directors, which includes meetings with key senior leadership teams, bespoke training on relevant regulatory and legal obligations and guidance on Board procedures and processes.

Beyond the induction phase, PETRONAS ensures its Directors continue to develop their skills and expertise through ongoing access to professional development programmes and targeted events that address key areas relevant to the Group's operations and governance responsibilities.

PETRONAS Board Excellence (PBE)

Solution	Onboarding	Foundational*		Advanced			Continuous Education	Conference	
Programme	Onboarding Programme for New Directors	Essentials for Directorship	Rising Above	Best Practices for Board Excellence (Advanced 1)	Effective Strategy for Stakeholder Management (Advanced 2)	Round Table	Updates on trends	Directors Conference	Audit Committee Forum
Continuous Programme	E-Learning (5 Critical Legal Areas)								
	Board Assessment (Observation, Interview and Digital)								

Note:
* The Foundational programmes only apply to the Directors who are employees of the PETRONAS Group. The PETRONAS Directors, upon their onboarding, will attend the Advanced programmes of the PBE.

Since 2016, PETRONAS has implemented a suite of development programmes, known as the PETRONAS Board Excellence (PBE), tailor-made to the needs of Directors across the Group. These programmes provide a structured framework to chart each Director's development plan and enhance awareness and knowledge of their roles and responsibilities.

The programmes encompass a series of initiatives designed to equip Directors with insights into emerging trends, regulatory expectations and strategic issues critical to the long-term success of the organisation.

In addition to the core PBE programmes, several supplementary initiatives have been conducted to further strengthen the Board's collective capacity in addressing emerging governance priorities and strategic challenges.

Key focus areas within these programmes include:

- Training for Companies Limited by Guarantee (CLBG) Directors & Trustees, equipping Directors with specialised knowledge relevant to oversight responsibilities within foundations and non-profit entities;
- Governance in the Digital Frontier, emphasising the Board's oversight role in data governance and responsible technology adoption;
- Conflict of Interest, reinforcing principles of integrity, transparency and responsible stewardship in all governance processes; and
- Sustainability in PETRONAS, offering a comprehensive overview of global and industry drivers of change and insights into the Company's progress in delivering its sustainability commitment that encompasses Delivering Net Zero, Thriving with Nature and Fostering a Just Transition, underpinned by responsible governance.

The Quarterly Board Conversation Series further complement these programmes by providing a platform for dialogue with leaders across various fields on emerging sustainability and business topics.

In 2025, sessions included discussions on energy transition and company strategies, 'asking better questions on nature', artificial intelligence and sustainability, and reflections on COP30.

These sessions provide valuable insights into sustainability and market outlook while facilitating in-depth discussions on the Group's strategic growth plans.

Qualified and Competent Company Secretaries

The Company Secretaries of PETRONAS are qualified to act as company secretaries under Section 235 of the Companies Act, 2016 and are both legally qualified professionals. They serve as key advisors to the Board, providing guidance on PETRONAS' Constitution, policies and procedures, and compliance with applicable regulatory requirements, codes, guidelines and legislations.

The Company Secretaries act as an important link between the Board and the business, ensuring effective communication with Management regarding the expectations and value brought by the Board.

They are responsible for documenting discussions and deliberations at Board and its Committees meetings and communicating these to Management for appropriate actions. Additionally, the Company Secretaries keep the Board informed on the status of decisions and recommendations. In accordance with the outcome of the Annual Board Effectiveness Evaluation (BEE) exercise, the Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging their functions in the year under review.

To maintain their effectiveness, the Company Secretaries actively participate in continuous training programmes, keeping themselves abreast of evolving regulatory changes and developments in matters related to corporate governance.

Corporate Governance at PETRONAS

Board Evaluation

The Board, through the Nomination and Remuneration Committee (NRC), conducts an annual performance evaluation of the Board and its Committees, facilitated by the Company Secretaries. Evaluation results are reported to the NRC, while individual Directors' evaluation outcomes are made available to the NRC Chairman and reported directly to the Chairman of the Board. The Chairman then conducts feedback sessions with Directors through peer-to-peer meetings.

This evaluation process aligns with best practice recommended by the Malaysian Code of Corporate Governance (MCCG), which encourages Boards to engage an independent expert at least every three years to facilitate an objective and candid review. The Board Effectiveness Evaluation (BEE) involves a set of questionnaires designed to assess the performance of the Board and its Committees and individual Directors through self-assessment. The indicators for the performance, include, among others, the Board composition, planning process, conduct, communication with Management and stakeholders, as well as strategy and planning for the Company. The results of these evaluations are used to identify areas for improvement and enhance effectiveness and overall performance of the Board in the best interest of PETRONAS.

The NRC reviewed the outcome of the BEE and noted the Board's commitment to the highest standards of good governance, while affirming the Board's effectiveness in carrying out its responsibilities.

Directors' Indemnity

PETRONAS continued to provide and maintain indemnification for its Directors throughout the year under review, as permitted under the Companies Act, 2016 to the extent that such liabilities are insurable under the Directors' and Officers' Liability Insurance (D&O) procured by the Company. Directors and Officers are indemnified against any liabilities incurred in the discharge of their duties while holding office with the Company.

In addition, all Directors are provided with the option to obtain D&O insurance to provide coverage, where insurable, for liabilities not indemnified by the Company or arising from uninsured circumstances. The insurance provider determines the applicable premium payable by Directors.

Succession Planning

The Board has adopted a succession planning framework to ensure a structured and timely process for the identification and selection of new Non-Executive Directors (NEDs) in the event of vacancies on the Board. This framework supports the seamless management of Board changes arising from anticipated retirements, Board expansion or other circumstances.

The Board, through the NRC, is responsible for overseeing succession planning for Directors. This includes regularly reviewing the Board's required mix of skills and experience, as well as assessing the tenure of Independent Non-Executive Directors (INEDs).

In addition to Director succession planning, the NRC also reviews succession plans for key management positions in the Company and continues to focus on conducting relevant assessments to ensure leadership continuity and organisational stability.

Board and Management Commitment to Sustainability

The Board recognises that the long-term success of the Company depends on the well-being of employees, customers, suppliers, stakeholders, the environment and society. By considering the needs of a broad stakeholder base, the Board supports sustainable value creation to strengthen the Company's long-term resilience and relevance.

Sustainability considerations, including climate and nature-related risks and opportunities, are embedded into the Board's strategic deliberations and decision-making processes.

Sustainability risk forms a core component of PETRONAS' Corporate Risk Profile, which is reviewed by the Risk Committee (RC) and approved by the Board on an annual basis. The RC also regularly recommends updates to the Corporate Risk Profile and Risk Appetite, including sustainability-related risk exposures and mitigation measures, to ensure continued alignment with business strategy and risk exposure.

During the year, the Board strengthened its governance capability by approving the integration of sustainability competencies into the Board Skills Matrix. This enhancement ensures that the Board collectively possesses the expertise required to provide effective oversight and strategic direction on sustainability priorities. The skills matrix will be reviewed periodically to reflect evolving regulatory requirements, market expectations and emerging sustainability trends.

In 2025, the Board continued to exercise oversight through its review of new sustainability targets relating to nature and resource efficiency. The Company's Nature Positive targets, which incorporates PETRONAS' definition of 'Nature Positive', focus on minimising adverse impacts on ecosystems, supporting ecological restoration and enhancing environmental outcomes across operations. These commitments are complemented by resource efficiency targets aimed at strengthening operational resilience.

At the management level, the President and Group Chief Executive Officer has overall responsibility for overseeing sustainability-related risks and opportunities, supported by the Sustainability Executive Leadership Team (S-ELT). In 2025, the S-ELT convened eight meetings to deliberate on a wide range of topics, including climate change mitigation and adaptation, nature and Nature-based Solutions, resource efficiency, just transition, human rights, disclosure requirements and enhancements to sustainability governance. Accountability for sustainability, including climate change, is embedded in senior leadership remuneration through a dedicated component of the Long-Term Incentive Plan, in place since 2022. From 2025, the performance measures include a 10 per cent weighting for Net Carbon Intensity and a 20 per cent weighting for selected indicators linked to growth and value creation from the Group's lower-carbon business segments. This design aligns executive incentives with the management of climate-related risks and opportunities and supports delivery of the Group's long-term energy transition strategy.

Sustainability governance is further anchored in established policy-level commitments that provide consistent direction across the Group. These include the PETRONAS Commitment to Net Zero Carbon Emissions by 2050, the PETRONAS Position on Nature and Biodiversity and the PETRONAS Human Rights Policy. These policies continue to guide decision-making and operational practices, ensuring alignment with the Group's long-term strategic objectives, global standards and evolving stakeholder expectations.

Corporate Governance at PETRONAS

Board Committees

AC Audit Committee

Azizan Zakaria *Chairman*

Datuk Dr. Shahrazat Haji Ahmad | **Tan Sri Zaharah Ibrahim**

The Audit Committee (AC) continues to play a key role in assisting the Board in fulfilling its oversight responsibilities, ensuring the effectiveness of financial reporting, internal controls and both internal and external audit functions.

The AC discharges its responsibilities through scheduled meetings held during the year, following a fixed agenda covering the matters within its remit. During the year under review, the AC met seven times.

[For more information about the AC's attendance, refer to page 189.](#)

Key Matters in 2025

Financial

During the year under review, the AC reviewed the quarterly financial results and the financial performance of business segments, the PETRONAS Group, and its report for the financial year ended 31 December 2025, to ensure they were prepared in compliance with the relevant regulatory requirements and guidelines.

The AC also reviewed the effects of applying significant accounting areas of estimation uncertainty and critical judgements including impairment assessment and provision for decommissioning, dismantling, removal and restoration (DDRR).

Internal Control and Audit Activities

The AC reviewed and deliberated on internal audit reports, which include opinions on the adequacy and effectiveness of governance, risk management and internal controls, as well as root causes of findings, implications and the agreed recommendations to be undertaken by Management.

Internal audit exercises provide reasonable assurance on the state of PETRONAS governance, risk management, and control frameworks, and compliance with applicable policies, procedures, laws and regulations. Key areas of focus are (but not limited to):

a) Operational & Project Excellence

- Process Safety and Contractor Health, Safety and Environment at Group and selected assets across the businesses.
- Material Management and Governance at selected Operating Units (OPU).
- Operational activities at selected OPU.
- Progress of selected key projects.

b) Commercial Excellence

- Audit on Stakeholder and Reputation Management.
- Block and Asset Promotion & Award Activities.
- Business development, commercial and financial matters of selected OPU.

c) Ethics & Integrity

- Integrity management, governance and implementation in PETRONAS.

d) Digital and Technology

- Enterprise Data, Personal Data and Sensitive Information Management at Group and selected OPU.
- Enterprise Cyber Defense Management.
- Partnership Arrangements.

e) Sustainability

- Human Rights Disclosure.

f) Shareholder audits covering Joint Venture (JV) Management; accounting and finance; operations and maintenance; inventory management; Health, Safety, Security and Environment (HSSE); commercial; project handover; as well as procurement at selected JV entities.

The AC also reviewed and endorsed the following matters:

- Integrated Assurance Masterplan developed based on enterprise/business strategies, enterprise/business risks, audit/assurance history results and stakeholder feedback.
- Continuous risk sensing and insights to ensure the proposed audit activities are carried out as per emerging and relevant risks as well as the latest enterprise/business strategies.
- Status on agreed recommendations arising from internal audit activities.
- External Quality Assurance Review (EQAR) implementation.
- Performance objectives, overall performance of Internal Audit which includes budget, resources, progress of audit operations and key initiatives.
- Actual or potential impairment to Internal Audit function's independence as well as establishment of appropriate safeguards.

NRC Nomination and Remuneration Committee

Tan Sri Zaharah Ibrahim *Chairperson*

Datuk Dr. Shahrazat Haji Ahmad | **Azizan Zakaria**

The Nomination and Remuneration Committee (NRC) carries duties and responsibilities regarding nomination and remuneration matters in strict adherence to the principles of good governance.

The NRC assists the Board in ensuring that the Board and its Committees maintain an appropriate structure, including the right size and balance of skills and experience, independence and diversity necessary to achieve PETRONAS' strategic objectives. The NRC is also responsible for reviewing appointments to the Company's highest management positions and overseeing succession planning prior to Board approval.

The NRC discharges its responsibilities through scheduled meetings held throughout the year, following its fixed agenda covering all matters within its remit. During the year under review, the NRC met six times.

[For more information about the NRC's attendance, refer to page 189.](#)

Key Matters in 2025

- The NRC reviewed and made recommendations to the Board on appointments to the Company's highest management positions, contract renewals and contract cessations, as well as on succession planning and leadership development opportunities.
- The NRC reviewed and recommended the integration of sustainability into the PETRONAS Board Skills Matrix as one of the essential competencies. The proposed sustainability criteria encompass experience in sustainability roles within businesses, participation in sustainability-oriented bodies and relevant education and training.

RC Risk Committee

Azizan Zakaria *Chairman*

Datuk Dr. Shahrazat Haji Ahmad | **Tan Sri Zaharah Ibrahim**

The Risk Committee (RC) supports the Board in reviewing principal risks and overseeing the adequacy and effectiveness of the risk management system of PETRONAS.

The Committee deliberates on risk mitigation strategies and measures, reviews investment proposals with significant risk implications and monitors the activities on integrity-related initiatives across the Group.

The RC discharges its responsibilities through scheduled meetings held during the year, following a fixed agenda covering all matters within its remit. During the year under review, the RC met seven times.

[For more information about the RC's attendance, refer to page 189.](#)

Key Matters in 2025

- The RC assisted the Board in reviewing the PETRONAS Group's Corporate Risk Profile and Risk Appetite on a quarterly basis. It also recommended revisions to the Corporate Risk Profile and Risk Appetite, which were approved by the Board to ensure alignment with the Group's business objectives and strategies, while reflecting current exposures being managed.
- The RC provided oversight of strategic and high-impact business risks, including investment decisions supported by Parent Company Guarantees for key projects and commercial transactions involving material complexity and exposure.
- The RC appraised the performance and activities of Group Integrity on a quarterly basis and received updates on the progress of the Group's integrity and governance programmes.
- The RC reviewed the Company's Portfolio Commodity Hedging programmes on a half-yearly basis.

Corporate Governance at PETRONAS

Compliance

Cascading and Disseminating the Tone from the Top

At PETRONAS, a strong culture of compliance is driven by a tone-from-the-top approach, reinforced through continuous advocacy by the Board and the Executive Leadership Team (ELT).

This messaging is further disseminated by senior management and Directors throughout the Group to ensure that all business activities are conducted responsibly and ethically. By clearly articulating expectations from leadership downwards, this approach shapes the behaviour and attitudes of PETRONAS employees at all levels, embedding a culture of integrity and accountability across the Group's operations.

Compliance Focus Areas

Given the Group's portfolio of businesses, its operations are inherently exposed to legal and regulatory risks. PETRONAS is committed to complying with all applicable laws across its business portfolio, with particular emphasis placed on Critical Legal Areas (CLAs) to mitigate risks and uphold the highest standards of legal and regulatory adherence.

CLAs encompass laws with extra-territorial effect that may pose significant enterprise risks to PETRONAS as the holding company. Breaches of these laws could lead to substantial financial penalties, legal actions, and severe reputational damage.

The following categories of law are designated as CLAs by PETRONAS:

- **Ethics and Integrity**
- **Data Privacy**
- **Sanctions**
- **Export Control**
- **Competition**

To effectively manage legal and regulatory risks, PETRONAS has established a Legal Compliance Framework that serves as an overarching governance framework for legal compliance across the Group.

Legal Compliance Controls, a core component of the Legal Compliance Framework, are designed to address legal and regulatory requirements and to manage associated risks across the Group. Implemented by PETRONAS entities and corporate divisions, these controls are structured as follows:



1 Governance and Risk Assessment

PETRONAS has developed a suite of governance documents, including policies, frameworks, standards, guidelines and manuals, to form the basis for implementing internal controls and interpreting the principles underlying applicable laws and regulations.

Governance Documents for Critical Legal Areas			
Ethics and Integrity	Data Privacy	Sanctions and Export Control	Competition
<ol style="list-style-type: none"> PETRONAS Code of Conduct and Business Ethics (CoBE) and Country Supplements PETRONAS Anti-Bribery and Corruption Policy PETRONAS Anti-Money Laundering Policy PETRONAS Anti-Bribery and Corruption Manual (ABC Manual) PETRONAS Whistleblowing (WB) Policy PETRONAS Non-Retaliation Policy 	<ol style="list-style-type: none"> PETRONAS Corporate Privacy Policy PETRONAS Master Guidelines to the PETRONAS Corporate Privacy Policy (MGPCPP) 	<ol style="list-style-type: none"> PETRONAS Sanctions and Export Control Policy PETRONAS Sanctions and Export Control Guidelines PETRONAS Maritime and Shipping Guidance 	<ol style="list-style-type: none"> PETRONAS Competition Law Policy PETRONAS Competition Law Guidelines PETRONAS Competition Law Compliance Protocols: <ul style="list-style-type: none"> - Meetings and Information Sharing - Merger and Acquisition Transactions

To support PETRONAS employees in understanding the principles underpinning legal and regulatory requirements, selected governance documents have been translated into several languages, localised to meet jurisdiction-specific requirements and tailored to specific business segments.

In view of the inherent hazards and risk factors associated with our business activities, PETRONAS has implemented robust risk assessment processes i.e., Corruption Risk Assessment, Social Risk Assessment and Risk Assessment in Decision-Making, to identify potential threats that could significantly impact its operations. These assessments facilitate the identification of appropriate controls, which are then applied across the Group to mitigate legal and regulatory risks and prevent potential non-compliance.

2 Training and Awareness

PETRONAS continues to deliver comprehensive Group-wide training and awareness programmes through digital platforms, including e-Learning modules on the Company's internal platform and customised engagements led by compliance officers. These initiatives play a crucial role in strengthening awareness and reinforcing adherence to legal and regulatory requirements among PETRONAS employees and Directors.

In 2025, approximately 40,000 employees completed mandatory compliance e-Learning modules on the Anti-Bribery and Corruption Manual, Export Control and Third Party Risk Management (TPRM). Approximately 33,000 employees completed modules on Sanctions and Competition respectively, while the latest refresher module on Personal Data Protection recorded participation from approximately 31,000 employees.

In addition to e-Learning, the Legal Compliance Department conducted more than 250 focused training and engagement sessions, benefitting approximately 16,000 participants globally. These sessions were delivered through physical, virtual and hybrid formats to ensure broad accessibility and outreach across the Group.

Corporate Governance at PETRONAS

3 Due Diligence and Contractual Obligations

PETRONAS Third Party Risk Management

Given the Group's extensive dealings with third parties - including partners, contractors, suppliers distributors and agents - Third Party Risk Management (TPRM) has been established as a key programme to manage associated risks. TPRM serves as a robust due diligence process, safeguarding PETRONAS against exposure to breaches of Critical Legal Areas (CLAs), particularly risks relating to corporate liability arising from third-party misconduct.

The TPRM framework enables PETRONAS to identify potential threats prior to formal engagement and throughout the course of business relationships with third parties. This proactive approach supports timely risk mitigation measures and, where necessary, the incorporation of contractual safeguards to prevent legal, financial and reputational harm to the organisation.

PETRONAS TPRM's tools consist of:

Know Your Counterparty (KYC) Declaration Questionnaire	Online Screening System	Compliance Clauses
In-house due diligence questionnaire for completion by our third parties or counterparties covering Corporate and Business Information, Ethics and Integrity, Data Privacy, Sanctions, Export Control and Competition.	A screening system covering key themes in relation to the five CLAs with a capacity for enhanced due diligence.	Embedment of compliance clauses relating to the five CLAs in all contracts. Base clauses provided could be negotiated and customised in accordance with business needs.

4 Business Practice

In 2025, PETRONAS conducted a structured review of its Legal Compliance Controls to assess their continued relevance, design adequacy and alignment with the evolving regulatory landscape. This exercise was undertaken to identify opportunities for enhancement and to ensure the controls remain robust and fit for purpose.

5 Monitoring and Assurance

The Board and Executive Leadership Team (ELT) maintain rigorous oversight of the Group's activities and its compliance with critical laws through robust monitoring processes. Compliance activities and updates on the implementation of controls are escalated to relevant senior management and governing bodies. This escalation process ensures that the ELT and Directors are kept informed of the Group's compliance status, including any gaps in control implementation, enabling them to provide timely guidance to address such gaps. This clear line of sight reinforces alignment with PETRONAS' strategic priorities while ensuring that business expectations are met.

Oversight and monitoring of compliance are conducted annually through a structured self-assessment process, namely, the First Line Assurance for Critical Legal Areas (FLA-CLA), supported by myCompliance, PETRONAS' integrated compliance system. The use of this system enhances the efficiency and effectiveness of monitoring legal and regulatory compliance across the Group.

Operationalising Compliance from the Ground

Highlights by Critical Legal Areas

PETRONAS recognises the importance of remaining current and compliant with the 5 CLAs, namely Ethics and Integrity, Data Privacy, Sanctions, Export Control and Competition. In support of this objective, a range of initiatives have been undertaken to strengthen compliance and reinforce adherence across the Group.

Ethics and Integrity

We are committed to building trusted relationships with our stakeholders while creating a positive impact on society and the environment. We believe that how we deliver is as important as what we deliver; accordingly, we remain dedicated to growing our business responsibly and upholding the highest standards of ethics and integrity across all our operations.

This commitment to good governance is embodied in PETRONAS' Code of Conduct and Business Ethics (CoBE). First introduced in 2012, the CoBE is anchored on PETRONAS Shared Values of Professionalism, Loyalty, Integrity and Cohesiveness. These values are fundamental to the Group's long-term success and sustainability. Benchmarked against international standards, the CoBE outlines clear expectations for behaviour and ethical conduct applicable to all employees, Directors and third parties performing work or services on behalf of the Group. It expressly prohibits improper solicitation, facilitation payments, bribery and all other forms of corrupt practices.

In 2025, the CoBE was subject to a comprehensive review to ensure its continued relevance amid an increasingly complex and evolving regulatory and operating environment. Emerging laws and regulations relating to areas such as artificial intelligence, human rights, cyberbullying and environmental sustainability necessitated clearer guidance and closer alignment with internationally recognised standards. The revised CoBE was approved by the PETRONAS Board on 27 November 2025 and will be implemented in phases, commencing with PETRONAS Group of Companies in Malaysia with effect from 1 April 2026. To support a smooth roll-out, PETRONAS will conduct enterprise-wide trainings and structured communications throughout 2026 to upskill employees and Directors with the key changes.

Recognising the global nature of PETRONAS' operations, the CoBE is applied uniformly across all countries in which the Group operates. Where necessary, specific provisions are adapted to address local legal and regulatory requirements. In such cases, the CoBE is appended with Country Supplements that address applicable local legislation and cultural practices. To date, the CoBE and its supplements have been translated into multiple languages, ensuring that standards of integrity and ethical business conduct are clearly communicated and well understood across the Group.

The CoBE also clearly outlines the consequences of non-compliance. Subject to applicable laws, disciplinary action will be taken against any employee found to be in breach of its provisions.



Scan the QR code to visit PETRONAS' CoBE on PETRONAS' Global website.

'CoBE' Helpdesk

Employees and third parties who require clarification on the CoBE, its supplements, or have general queries on the interpretation or application of the Code may contact the CoBE Helpdesk at: cobe@petronas.com.my

Data Privacy

2025 marked a landmark year for Malaysia's personal data protection landscape, with the long-anticipated amendments to the Personal Data Protection Act (PDPA) coming into force. These developments ushered in a new era of accountability and trust in the management of personal data. These reforms introduced enhanced regulatory requirements, including the mandatory appointment of Data Protection Officers (DPOs), compulsory data breach notification obligations and substantially increased penalties for non-compliance.

In anticipation of these regulatory changes, PETRONAS undertook proactive measures to strengthen enterprise-wide readiness. The Group participated in consultations with the regulator, ensuring that its perspectives contributed to the shaping of the evolving framework, while working closely with businesses across the Group to align practices with emerging regulatory expectations.

Corporate Governance at PETRONAS

A key milestone in this journey was a comprehensive assessment conducted across PETRONAS Group of companies in Malaysia to identify entities meeting the legal threshold for mandatory DPO appointments. All qualifying companies have since appointed their DPOs ensuring compliance with the PDPA. To empower these appointments, the PETRONAS DPO Training Programme was launched as a structured capability-building initiative. The programme is designed to equip DPOs with targeted expertise, promote continuous learning and foster a collaborative DPO Community of Practice to facilitate knowledge sharing and consistency in data protection practices across the Group.

Recognising the growing complexity of personal data breach management, enhancing awareness and strengthening preparedness were identified as key priorities. The PETRONAS Data Privacy Forum, held in early 2025, provided a platform for dialogue and shared learning among Group Legal and key stakeholders on data breach management. This was complemented by targeted briefings for crisis management teams and practical breach simulations exercises in collaboration with Cyber Security Department, thereby strengthening both operational readiness and building confidence in timely and effective response.

PETRONAS' commitment extends beyond Malaysia. In harmonising the PETRONAS Data Privacy framework with global privacy practices and local regulatory requirements, country-specific supplements to the Master Guidelines to PETRONAS Corporate Privacy Policy are continuously developed and updated.

Collectively, these initiatives demonstrate PETRONAS' strong dedication and ongoing commitment to safeguarding personal data across its global operations.

Sanctions and Export Control

In 2025, the continued and widespread use of trade control measures by many countries in response to geopolitical developments persisted, compounded by increased volatility arising from major shifts in sanctions and export control policies in 2024.

Within this context, PETRONAS undertook targeted efforts to review and update its positions on sanctions and export controls to adapt to the changing regulatory landscape.

Drawing on experience, further measures were implemented to strengthen and refine the existing controls. Regulators have explicitly been targeting not just primary violators and traditionally high-risk sectors, such as maritime operations, energy logistics and financial intermediaries, but also enablers, namely parties that facilitate, finance or conceal restricted transactions.

In response, PETRONAS enhanced controls and awareness in identified high-risks areas. In particular, several initiatives were undertaken to improve screening processes and tools for payment transactions to ensure compliance and avoid inadvertent breaches. These efforts were reinforced through targeted sessions for employees performing finance and shipping-related functions to support effective implementation and ongoing compliance.

Competition

Throughout the year, PETRONAS' key initiatives in competition law centered on proactive compliance with regulatory requirements across multiple jurisdictions. The Group closely monitored and managed its activities to ensure adherence to competition law, with a particular emphasis on strategic projects and regulatory filings. These efforts underscore PETRONAS' commitment to maintaining a fair and competitive market environment while supporting business growth and transformation.

Following the registration of three PETRONAS entities under the Indonesian Competition Commission (KPPU) Competition Compliance Program in July 2025, PETRONAS introduced the Indonesia Supplement to its Competition Law Guidelines. This supplement incorporates and highlights key provisions of Indonesian competition law, ensuring that PETRONAS' internal guidelines are fully aligned with KPPU's regulatory requirements.

Collectively, these efforts have strengthened PETRONAS' ability to navigate an increasingly complex competition law landscape and positioned the Group to support sustainable growth in a compliant and responsible manner.

PETRONAS Commitment to Integrity

PETRONAS maintains a zero-tolerance approach to all forms of bribery and corruption. This commitment is reinforced through the PETRONAS Code of Conduct and Business Ethics (CoBE), the PETRONAS Anti-Bribery and Corruption Manual (ABC Manual) and the PETRONAS Whistleblowing Policy. Together, these documents provide clear guidance to employees, Directors and third parties on identifying, preventing and managing potential or actual instances of bribery, corruption and other forms of improper conduct in their daily business activities. These governance documents serve as essential reference points in upholding ethical behaviour and integrity across the PETRONAS Group.

PETRONAS continues to strengthen its integrity management to protect and safeguard the organisation and maintain the trust of its stakeholders globally. This commitment is central to the Group's efforts to prevent and combat corruption, financial crime, including money laundering and other illicit activities across its operations.

Leadership commitment to integrity remains strong, with the President and Group Chief Executive Officer reinforcing key integrity messages during the PETRONAS Integrity Time Out on 23 July 2025. During the engagement, emphasis was placed on advancing integrity beyond corruption prevention and on the importance of ethical conduct at all levels of the organisation.

The PETRONAS Integrity Governance Unit (IGU), also referred to as Group Integrity, provides relevant reporting to the PETRONAS Board Risk Committee as the governing body, as well as semi-annual reporting to the Agency Integrity Management Division (BPIA) of the Malaysian Anti-Corruption Commission (MACC). These governance and reporting arrangements are further supported by Integrity Focal Persons (IFP) appointed across respective businesses.

PETRONAS is adopting a transformative approach, moving beyond conventional methods by leveraging a risk-based framework, typology analysis and data-driven capabilities. This strategic shift enables us to:

- Proactively identify high-risk sectors and vulnerability areas.
- Implement focused and targeted measures to mitigate potential threats.
- Safeguard PETRONAS from value leakages, emerging risks and integrity breaches.

By embracing advanced analytics and global best practices, PETRONAS strengthens its resilience and ensures alignment with evolving industry standards and technological advancements. This approach reinforces our commitment to integrity, transparency and sustainable growth.

To address corruption risks systematically, PETRONAS continuously reviews its Corruption Risk Assessment (CRA) in line with adequate procedures. Prioritised mitigation measures based on the risk-based approach are elevated and monitored as part of the PETRONAS Integrity Plan.

PETRONAS continues to uphold its commitment to integrity by maintaining certification under ISO 37001:2016 Anti-Bribery Management System (ABMS). This internationally recognised standard underscores the Group's commitment to preventing bribery and upholding ethical business practices across all operations. Annual internal and external evaluations, including ABMS audits, provide assurance on the adequacy and effectiveness of our integrity programmes, confirming alignment with internationally recognised best practices.

PETRONAS has strengthened public-private and private-private partnerships through the exchange of best practices and the implementation of collaborative initiatives. These efforts include sustained engagement with key stakeholders to advance governance, integrity and ethical standards across the industry. In parallel, PETRONAS has initiated international cooperation with international anti-corruption and governance standards setting bodies or framework to further reinforce global integrity and anti-corruption efforts. Such strategic engagement enables PETRONAS to:

- Anticipate and respond effectively to national and international developments.
- Align organisational strategies with international best practices, emerging trends and technological advancements.
- Strengthen resilience against corruption, financial crime and integrity-related risks.

Corporate Governance at PETRONAS

Through these partnerships and global engagements, PETRONAS demonstrates sustained leadership and commitment to transparency, accountability and sustainable business practices.

To encourage the reporting of concerns, PETRONAS provides multiple secure whistleblowing platforms:

- Website: WhistleNOW
<https://www.petronas.com/whistleblowing>
- Email: whistle@petronas.com
- Postal: PO Box No. 11646, Pejabat Pos Besar Kuala Lumpur, Malaysia

These channels ensure confidentiality and accessibility for all stakeholders.

PETRONAS continues to strengthen its integrity culture by conducting engagement sessions and training programmes for both internal and external stakeholders. These initiatives aim to reinforce ethical conduct and ensure consistent compliance across all levels of the organisation.

Selected employees participated in specialised training on the latest enforcement actions related to anti-bribery and corruption. This training enhances their awareness, knowledge and capability to identify and mitigate integrity risks, particularly when dealing with third parties. Such proactive measures ensure that the workforce remains vigilant and prepared to uphold PETRONAS' integrity standards.

To further amplify these efforts, PETRONAS implemented organisation-wide awareness campaigns, including email communications and intranet postings, to ensure sustained engagement and consistent messaging on integrity matters.

In strengthening internal capability, PETRONAS also implemented the IFP Competency Training, designed to upskill the IFP across the four core functions of the IGU:

- Complaint Management
- Detection and Verification
- Governance
- Integrity Strengthening

This structured training programme equips IFPs with the latest competencies and practical knowledge required to uphold PETRONAS' integrity standards and effectively manage governance-related processes.

In addition, integrity topics have been embedded into new employee onboarding programmes, ensuring that every employee begins their journey at PETRONAS with a strong foundation in ethical conduct, compliance and responsible business practices.

Collectively, these initiatives underscore PETRONAS' commitment to fostering a resilient, integrity-driven organisation that upholds the highest standards of governance and ethical conduct.

Anti-Bribery and Corruption Compliance Programme

The PETRONAS Anti-Bribery and Corruption Manual (ABC Manual), first introduced in 2013, forms a core component of the PETRONAS Integrity Compliance Framework. It addresses key areas including dealings with public officials, facilitation payments, managing third-party relationships, gifts, entertainment and corporate hospitality, sponsorships and donations, as well as anti-money laundering.

Since its introduction, the regulatory landscape governing anti-bribery, anti-corruption and anti-money laundering has continued to evolve, both in Malaysia and globally. Building on the overarching principles set out in the CoBE and ABC Manual, the PETRONAS Board approved a standalone PETRONAS Anti-Bribery and Corruption Policy and the PETRONAS Anti-Money Laundering Policy on 27 November 2025. These policies further articulate PETRONAS' zero-tolerance stance towards breaches of these Critical Legal Areas and will be implemented in phases, commencing with PETRONAS Group of Companies in Malaysia effective 1 April 2026.

Throughout 2025, PETRONAS continued to roll out employee training programmes, including targeted and bespoke training sessions for business functions with greater exposure to dealings with public officials and third parties. These sessions were delivered to employees, Directors and leadership teams, providing practical guidance on the do's and don'ts to ensure compliance with corporate liability laws. The sessions also served as refresher training, addressing frequently asked questions on key topics, including conflicts of interest, corporate hospitality, entertainment, and PETRONAS' No Gift Policy.



Scan the QR code to visit the ABC Manual on PETRONAS' Global website.

The PETRONAS Integrity Awareness Committee (PIAC) convened quarterly meetings throughout the year to ensure the effective implementation of the programmes under the PETRONAS Integrity Compliance Framework. These meetings are essential in steering, driving and monitoring that integrity programmes are implemented in an effective, integrated and structured manner. PIAC members comprise representatives from various corporate and business divisions within PETRONAS, ensuring alignment across the organisation. Additionally, PIAC is also responsible for reporting and escalating matters on ethics and integrity to the Executive Leadership Team (ELT), when necessary, for their further guidance.

PETRONAS Whistleblowing Policy and PETRONAS Non-Retaliation Policy

The PETRONAS Whistleblowing Policy was first introduced in 2012 to provide a formal avenue for PETRONAS' employees and members of the public to report improper conduct, including misconduct, criminal offences or malpractice, in accordance with the procedures outlined in the Policy. In 2020, the Policy was revised to enable anonymous reporting, providing whistleblowers with an added level of confidentiality. Disclosures submitted via PETRONAS' whistleblowing channels are accorded protection of the whistleblower's identity, to the extent reasonably practicable.

Further enhancements were made in 2025 to align the Policy with international standards and best practices. This included the introduction of a dedicated Non-Retaliation Policy, which safeguards individuals who raise concerns in good faith and without malicious intent. Whistleblowers reporting improper conduct internally in good faith are protected against adverse or detrimental actions, even if subsequent investigations reveal that the disclosure was based on a misunderstanding of facts, rules or procedures.

The revised PETRONAS Whistleblowing Policy and PETRONAS Non-Retaliation Policy were approved by the PETRONAS Board on 27 November 2025. Together, these policies foster a safe environment in which concerns can be raised without fear of retaliation and will be implemented in phases, commencing with PETRONAS Group of Companies in Malaysia effective 1 April 2026.



Scan the QR code to visit PETRONAS Whistleblowing Policy and Non-Retaliation Policy on PETRONAS' Global website.

Group Financial Results and Position



In FY2025, PETRONAS demonstrated resilience in a more challenging external environment by sustaining strong financial discipline, reliable operations and continued progress on our energy transition priorities. We focused on protecting value through disciplined cost and capital management, while selectively investing to strengthen our portfolio and long-term competitiveness. At the same time, we advanced decarbonisation efforts and partnerships across our value chain, while continuing to support energy security for our customers. Looking ahead, we will remain anchored on value preservation and value creation, building a more resilient business and enabling a just and responsible energy transition.”

Liza Mustapha

Executive Vice President and Group Chief Financial Officer

Analysis of Financial Results

Consolidated Statement of Profit or Loss

In RM million	Financial Year ended 31 December	
	2025	2024
Continuing operations		
Revenue	266,135	305,131
Cost of revenue	(162,516)	(187,892)
Gross profit	103,619	117,239
Selling and distribution expenses	(8,651)	(9,950)
Administration expenses	(16,507)	(17,993)
Net impairment losses/write-off ¹	(2,618)	(4,882)
Other expenses	(8,603)	(3,000)
Other income	7,406	6,016
Operating profit	74,646	87,430
Financing costs	(7,350)	(5,878)
Share of profit after tax and non-controlling interests of equity accounted associates and joint ventures	195	581
Profit before taxation from continuing operations	67,491	82,133
Tax expense	(22,101)	(26,348)
Profit for the year from continuing operations	45,390	55,785
Discontinued operations²		
Loss for the year from discontinued operations, net of tax	-	(693)
PROFIT FOR THE YEAR	45,390	55,092
Profit/(Loss) attributable to:		
Shareholders of the Company		
From continuing operations	40,775	49,996
From discontinued operations	-	(892)
	40,775	49,104
Non-controlling interests		
From continuing operations	4,615	5,789
From discontinued operations	-	199
	4,615	5,988
PROFIT FOR THE YEAR	45,390	55,092

Consolidated Statement of Other Comprehensive Income

In RM million	Financial Year ended 31 December	
	2025	2024
PROFIT FOR THE YEAR	45,390	55,092
Other comprehensive income/(loss)		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net changes in fair value of equity investments at fair value through other comprehensive income (OCI)	17	(136)
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net movements from exchange differences	(18,781)	(10,663)
Cash flow hedge	1,078	(1,120)
Others	(100)	437
Total other comprehensive loss for the year, net of tax	(17,786)	(11,482)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	27,604	43,610
Total comprehensive income/(loss) attributable to:		
Shareholders of the Company		
From continuing operations	25,656	39,929
From discontinued operations	-	(892)
	25,656	39,037
Non-controlling interests		
From continuing operations	1,948	4,374
From discontinued operations	-	199
	1,948	4,573
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	27,604	43,610



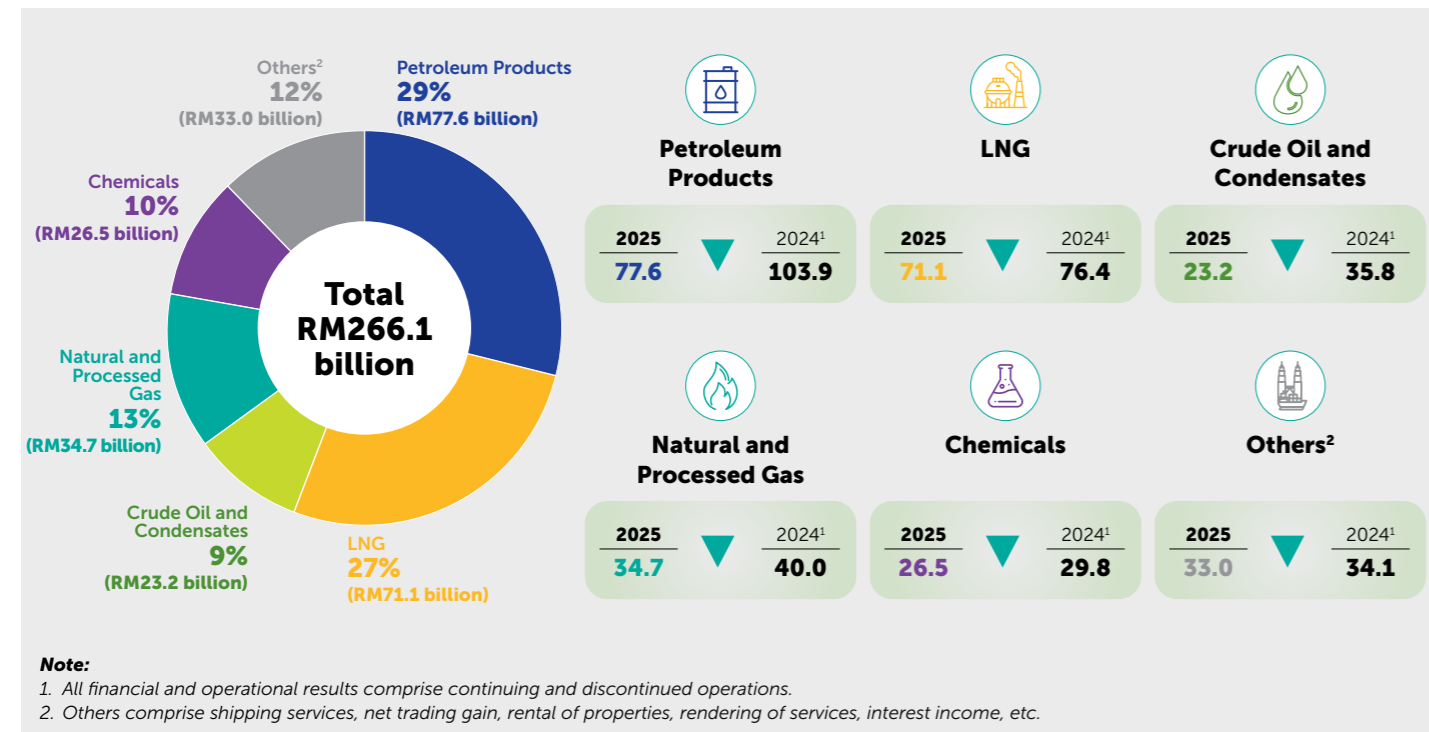
Note:

- Excludes well costs and includes loss on remeasurement of financial assets measured at amortised cost.
- Discontinued operations relate to disposal of Engen Group.

Group Financial Results and Position

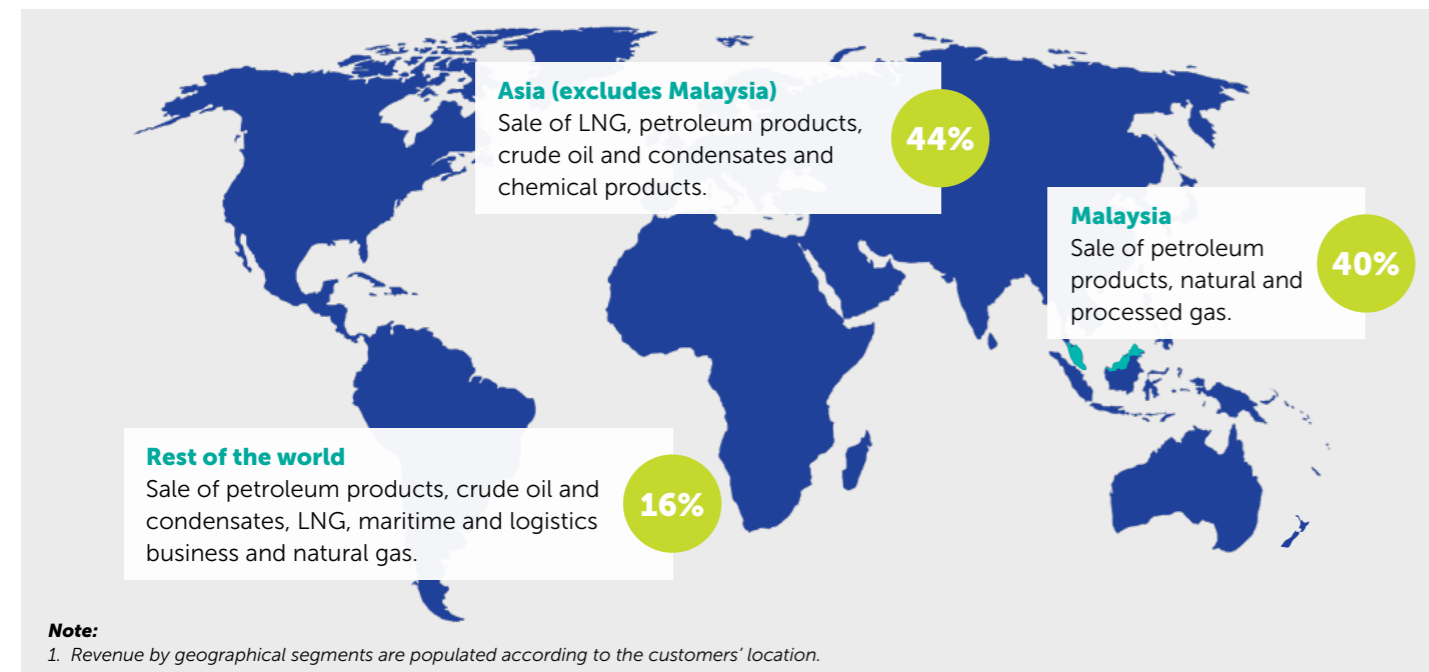
Revenue by Products

The Group's total revenue was RM266.1 billion, primarily contributed by petroleum products and liquefied natural gas (LNG) which accounted for 29 per cent and 27 per cent of revenue, respectively.



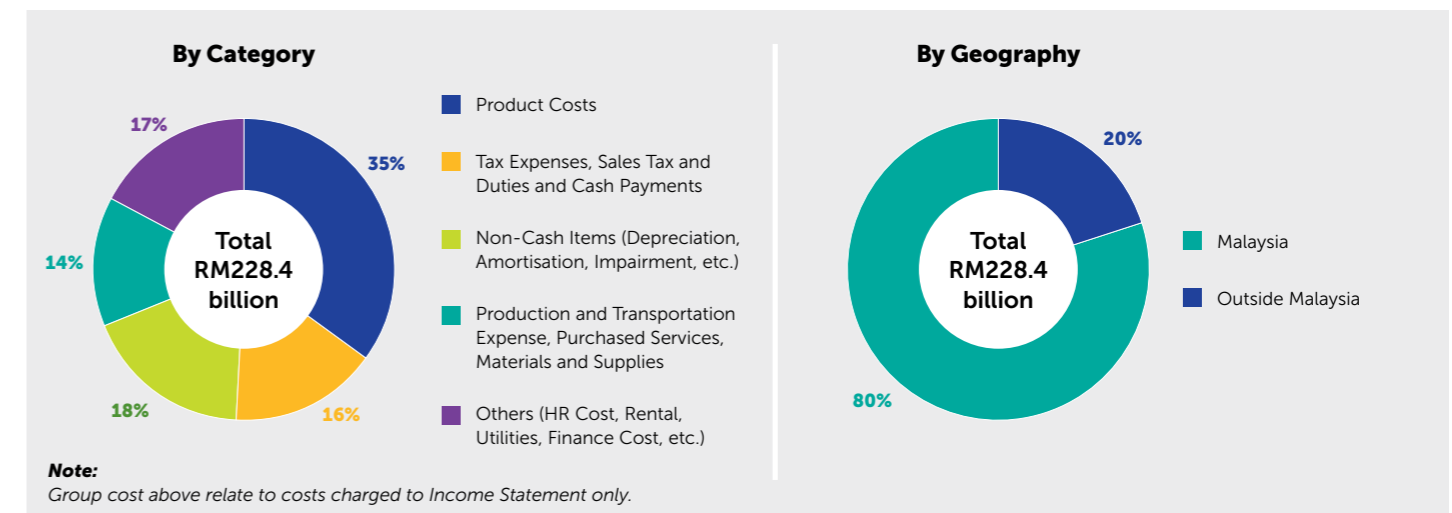
Revenue by Geographical Segments¹

Revenue from outside Malaysia, which included export and international sales, accounted for 60 per cent of the Group's revenue, demonstrating PETRONAS' strong global presence.



Group Cost

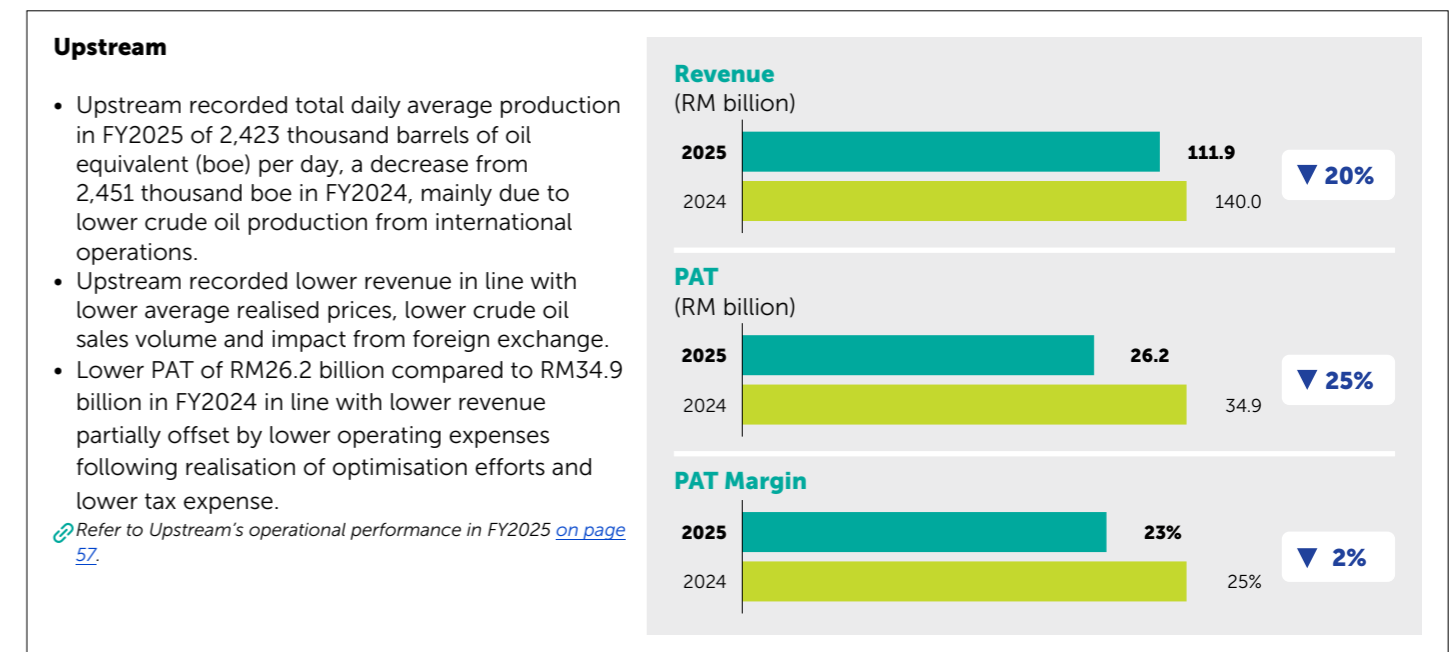
- Group cost stood at RM228.4 billion, a decrease of RM43.4 billion or 16 per cent as compared to the prior year of RM271.8 billion.
- The reduction in costs is driven largely by operational enhancements, discipline optimisation efforts and sharper portfolio prioritisation to remain robust in lower-priced environment.
- Domestic operations accounts for 80 per cent of the Group's total costs to support Oil and Gas Services and Equipment (OGSE) activities in Malaysia.



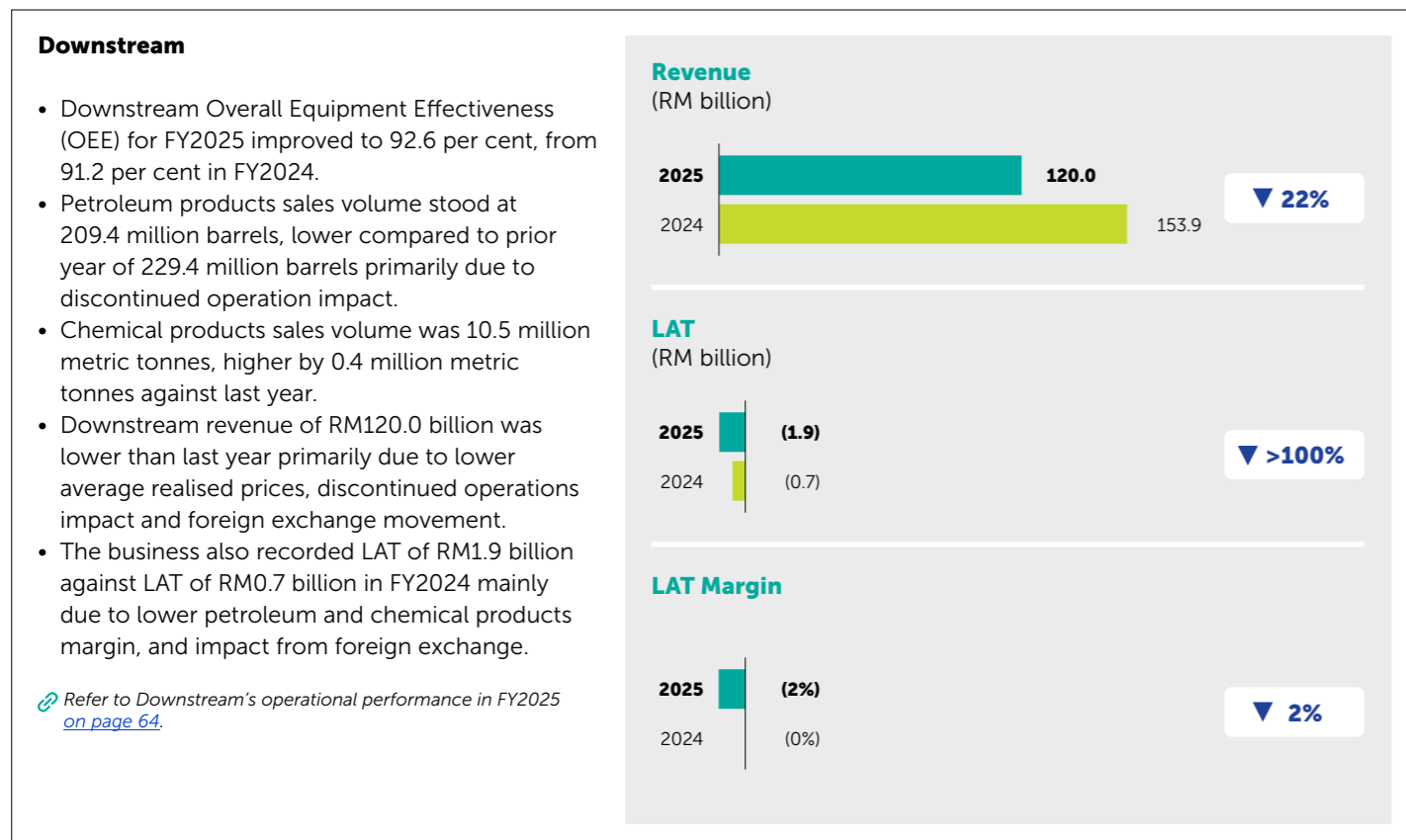
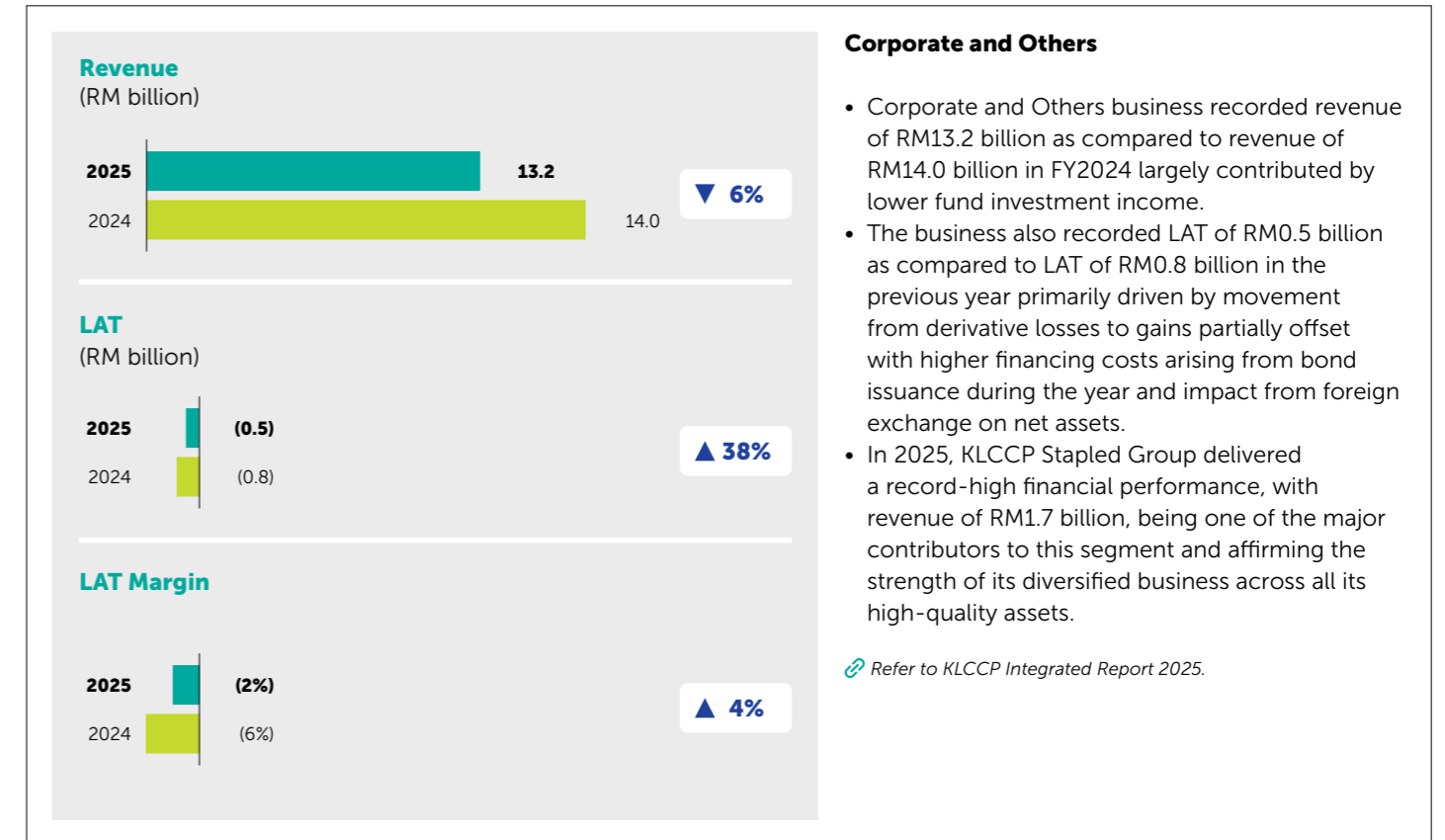
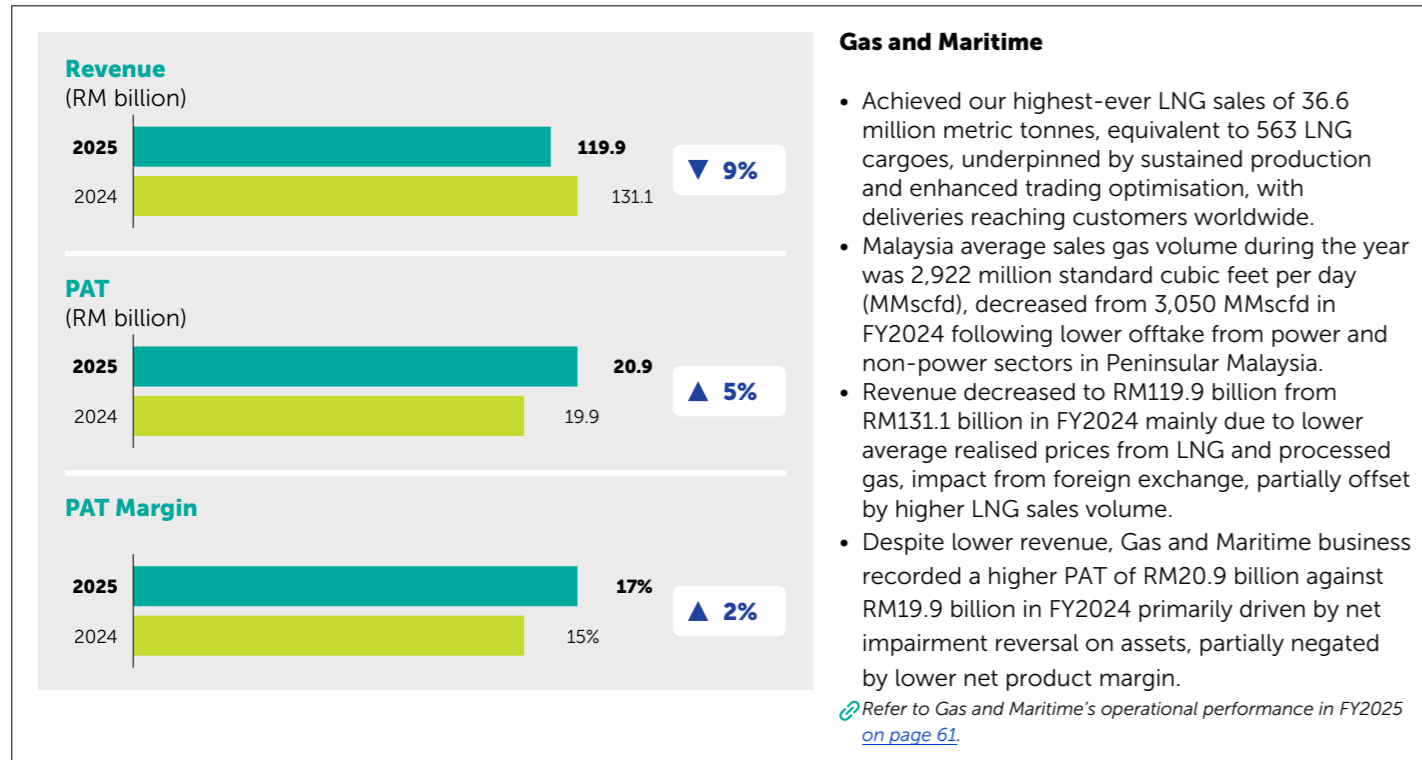
Earnings by Business

Notwithstanding the challenging market conditions, the financial results for 2025 was supported by the businesses' execution of operational and commercial excellence, leveraging the strength of our integrated value chain.

The Group operated three core businesses in FY2025: Upstream, Gas and Maritime, and Downstream. Corporate and Others, which complement our core businesses, comprises primarily the renewables, hydrogen and green mobility businesses as well as property business.

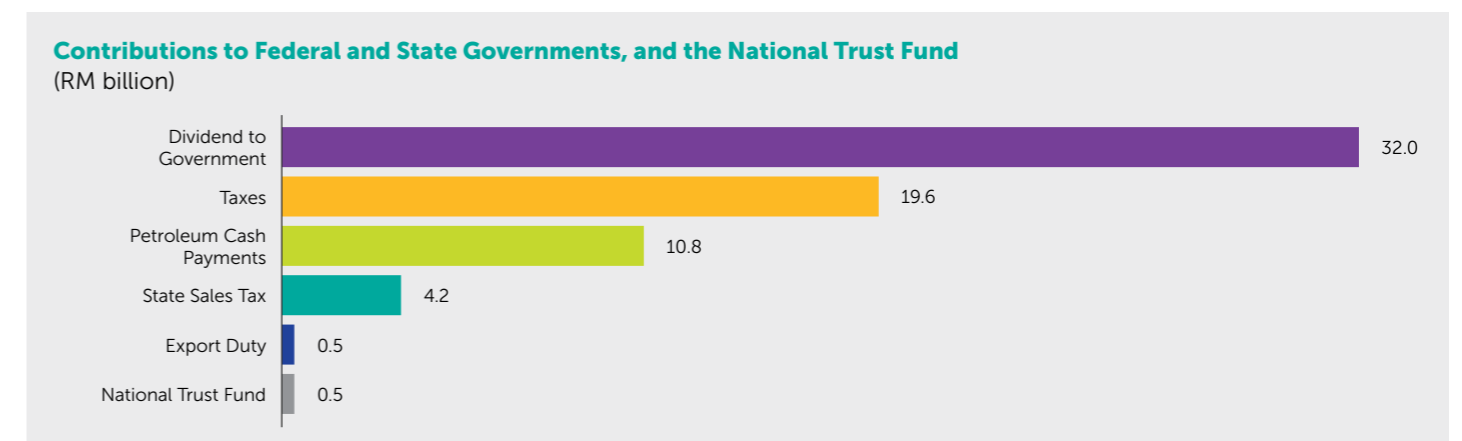


Group Financial Results and Position



Contributions to Federal and State Governments, and the National Trust Fund

- We remain committed to delivering shareholder returns while supporting nation-building efforts.
- In 2025, total contributions to the government amounted to RM67.6 billion, comprising dividends, taxes and other statutory payments, bringing the cumulative total to approximately RM1.6 trillion as of 2025.



Scan the QR code to visit PETRONAS Group Financial Operational Report on PETRONAS' Global website.

Group Financial Results and Position

Analysis of Financial Position

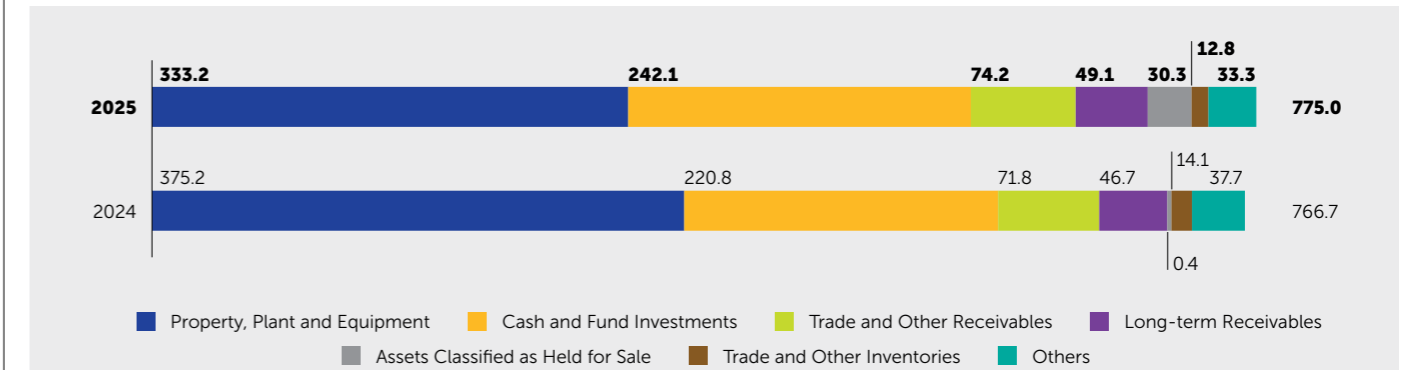
Consolidated Statement of Financial Positions

In RM million	As at 31 December	
	2025	2024
ASSETS		
Property, plant and equipment	283,923	327,356
Investment properties and land held for development	18,939	16,716
Investments in associates and joint ventures	11,558	12,219
Intangible assets	30,332	31,175
Long-term receivables	49,111	46,690
Fund and other investments	18,698	16,633
Deferred tax assets	21,661	25,459
TOTAL NON-CURRENT ASSETS	434,222	476,248
Trade and other inventories	12,805	14,096
Trade and other receivables	74,235	71,748
Fund and other investments	19,046	15,698
Cash and cash equivalents	204,375	188,476
	310,461	290,018
Assets classified as held for sale	30,270	407
TOTAL CURRENT ASSETS	340,731	290,425
TOTAL ASSETS	774,953	766,673
EQUITY		
Share capital	100	100
Reserves	448,208	451,115
Total equity attributable to shareholders of the Company	448,308	451,215
Non-controlling interests	53,777	55,395
TOTAL EQUITY	502,085	506,610
LIABILITIES		
Borrowings	108,137	90,837
Deferred tax liabilities	9,527	13,029
Other long-term liabilities and provisions	63,122	64,766
TOTAL NON-CURRENT LIABILITIES	180,786	168,632
Trade and other payables	65,204	67,156
Borrowings	13,466	20,060
Taxation	2,300	4,064
	80,970	91,280
Liabilities classified as held for sale	11,112	151
TOTAL CURRENT LIABILITIES	92,082	91,431
TOTAL LIABILITIES	272,868	260,063
TOTAL EQUITY AND LIABILITIES	774,953	766,673

Total Assets

(RM billion)

Total assets increased to RM775.0 billion as at 31 December 2025 against RM766.7 billion as at 31 December 2024 mainly due to net proceeds from bond issuance partially offset by impact from foreign exchange.



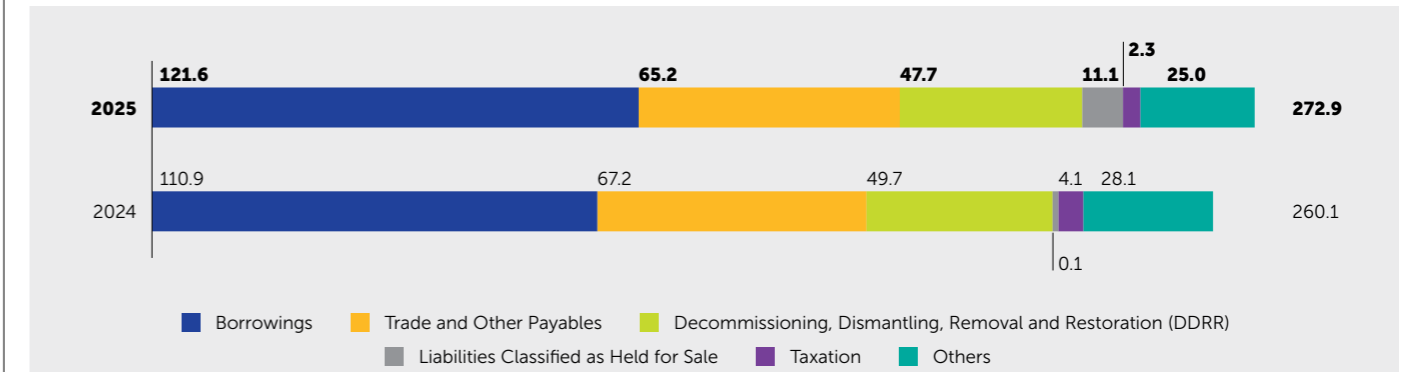
Note:

Property, Plant and Equipment also includes intangible assets, investment properties and land held for development.

Total Liabilities

(RM billion)

Total liabilities increased to RM272.9 billion as at 31 December 2025 as compared to RM260.1 billion as at 31 December 2024 mainly due to higher borrowing following from the bond issuance during the year.



Group Financial Results and Position

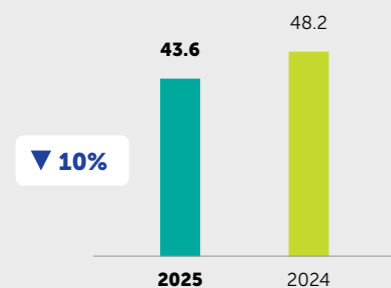
Analysis of Cash Flows

Consolidated Statement of Cash Flow

In RM million	As at 31 December	
	2025	2024
Cash flows from operating activities		
Profit before taxation	67,491	82,133
Adjustments for non-cash items	36,410	35,879
Net changes in working capital	(2,562)	(754)
Cash generated from continuing operations	101,339	117,258
Interest income received	11,390	12,682
Interest expenses paid	(4,871)	(4,750)
Taxation paid, net of refund	(22,695)	(24,323)
Net cash generated from continuing operations	85,163	100,867
Net cash generated from discontinued operations	-	1,593
Net cash generated from operating activities	85,163	102,460
Net cash used in investing activities	(32,036)	(71,010)
Net cash used in financing activities	(23,432)	(46,365)
Net increase/(decrease) in cash and cash equivalents	29,695	(14,915)
Decrease/(Increase) in cash and cash equivalents restricted	174	(179)
Net foreign exchange differences	(13,356)	(5,718)
Cash and cash equivalents at beginning of the year	186,197	207,009
Cash and cash equivalents at end of the year	202,710	186,197
Cash and cash equivalents		
Cash, bank balances and deposits	204,375	188,476
Bank overdrafts	-	(10)
Classified as held for sale	475	45
Less: Cash and cash equivalents - restricted	(2,140)	(2,314)
	202,710	186,197

Free Cash Flow Analysis¹

(RM billion)



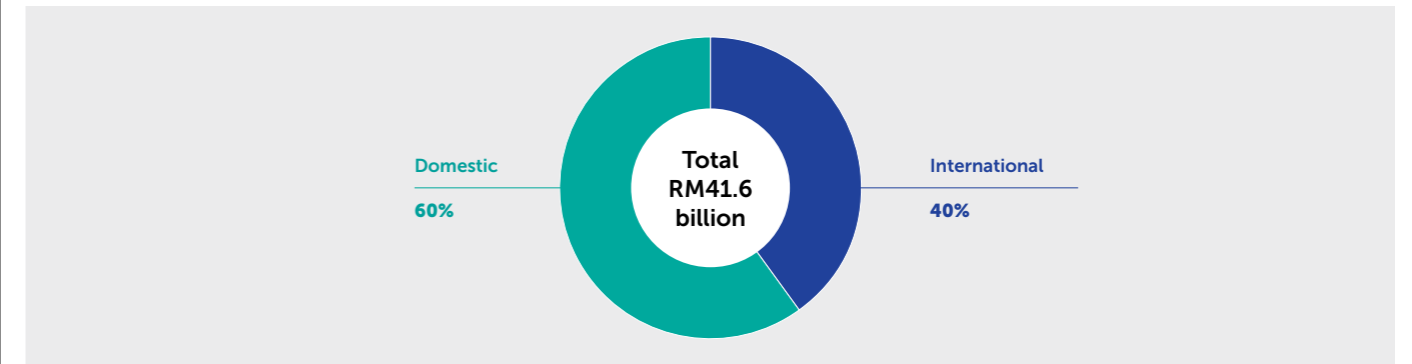
The Group generated free cash flow of RM43.6 billion during the year, a decrease of RM4.6 billion or 10 per cent as compared to RM48.2 billion in FY2024 mainly due to reduced cash generated from operations in line with lower operating profit.

Note 1: Free cash flow was derived from net cash generated from operating activities less cash CAPEX.

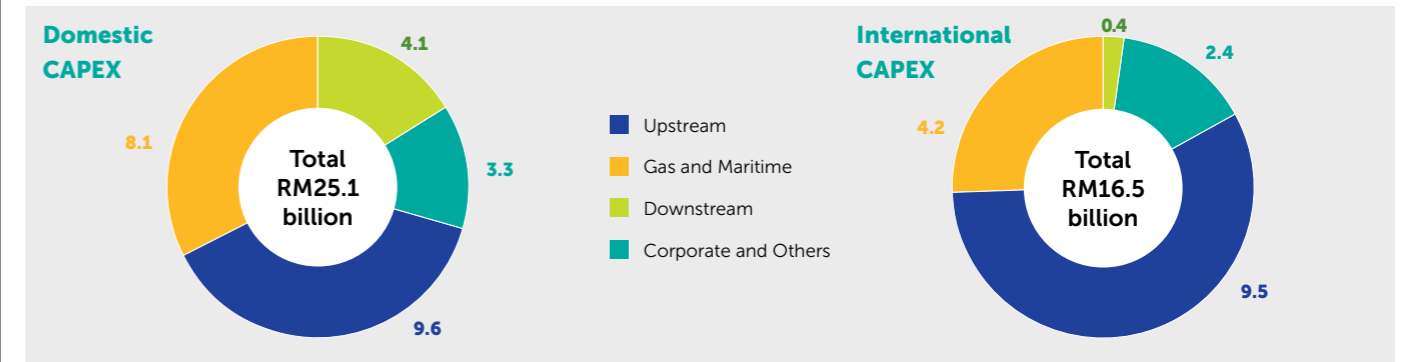
Capital Investments (CAPEX)

- Total Capital Investments (CAPEX) spent during the year of RM41.6 billion was lower by RM12.6 billion compared with RM54.2 billion in FY2024.
- 60 per cent of the CAPEX was spent in Malaysia amounting to RM25.0 billion, contributing to the growth of the Malaysian OGSE industry.
- Included in the Corporate and Others business segment is CAPEX incurred for Gentari Sdn Bhd (Gentari) which includes renewable energy, hydrogen and green mobility businesses.

Domestic and International Capital Investments Breakdown in FY2025

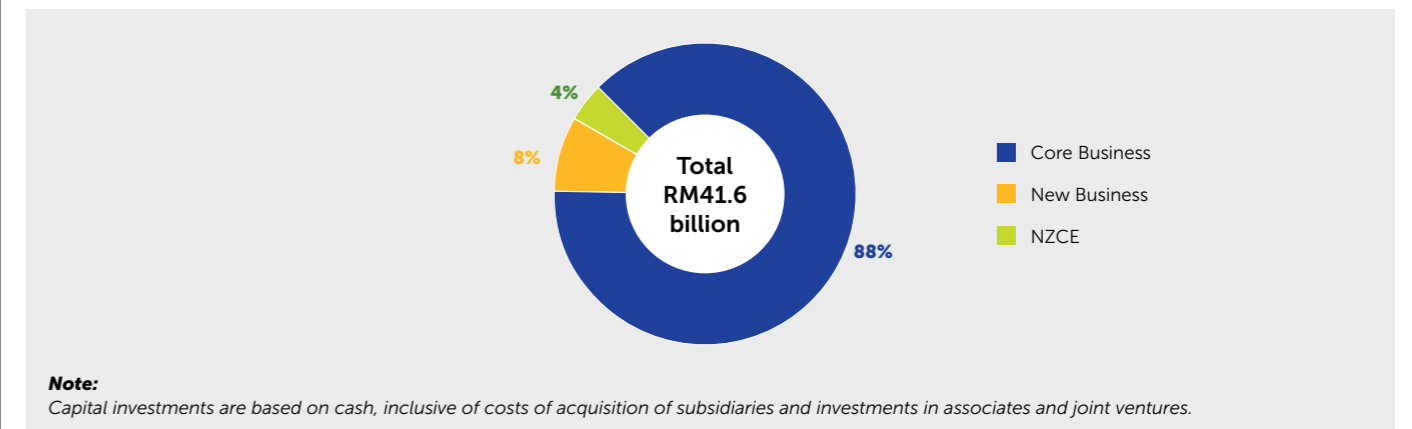


Capital Investments by Business and Geographical Segments in FY2025



Capital Investments by Energy Transition Strategy in FY2025

- PETRONAS remains steadfast in reinforcing capital discipline and managing carbon emission responsibly.
- During the year, 12 per cent of CAPEX was spent for New Business and Net Zero Carbon Emission (NZCE) projects.



Note:

Capital investments are based on cash, inclusive of costs of acquisition of subsidiaries and investments in associates and joint ventures.

Group Financial Results and Position

Capital Investment by Business

- Aligned with PETRONAS Energy Transition Strategy, we continue to strengthen our Core Business, pursue growth in capturing opportunities for New Business, and at the same time responsibly manage carbon emissions.
- As we progress in this journey, PETRONAS continues to uphold strict discipline in allocating capital resources to strike the right balance between investments in Core Business and New Business. PETRONAS plans to maintain an average CAPEX of approximately RM50.0 billion annually. We remain focused on scaling value-accretive energy investments and lower-carbon solutions to advance our energy transition agenda, without compromising operational integrity and safety standards.
- In FY2025, PETRONAS' overall CAPEX stood at RM41.6 billion, with 60 per cent attributable to activities in Malaysia. This includes significant investments in Malaysia to ensure energy security, affordability and sustainability mainly from PETRONAS' third Floating LNG facility, PETRONAS LNG Complex and Kasawari gas field.

Upstream

- CAPEX for Upstream business accounted for 46 per cent of the Group's total CAPEX with a total spending of RM19.1 billion, lower by RM8.9 billion as compared to FY2024. CAPEX for FY2025 was predominantly spent on exploration, development and production activities aimed at sustaining and growing production in Malaysia and international operations.
- About RM9.6 billion or 50 per cent of total Upstream CAPEX was spent domestically to intensify efforts to enhance the recovery rate of existing fields as well as the development of new fields.
- Meanwhile, a total of RM9.5 billion was allocated towards international portfolio investments, which include key countries such as Angola, Suriname and the United Arab Emirates (UAE).

Gas and Maritime

- Gas business accounted for 29 per cent of Group's total CAPEX and recorded a total spending of RM12.3 billion in FY2025. This is an increase of RM0.6 billion as compared to the previous year mainly allocated on domestic investments.
- CAPEX for FY2025 were predominantly spent domestically amounting to RM8.1 billion or 66 per cent mainly on the Sabah nearshore LNG facility, aimed at monetising gas resources in an optimised and more environmentally conscious manner. Internationally, the key investment was on the LNG project in Canada.
- In addition, CAPEX spending includes routine maintenance for asset safety and reliability, underscoring PETRONAS' commitment in upholding the highest integrity.

Downstream

- Downstream business' CAPEX of RM4.5 billion during the year accounted for 11 per cent of the Group's overall CAPEX allocation, comparable as compared to prior year.
- 91 per cent of the CAPEX spent during the year was mainly allocated towards domestic operational CAPEX including turnaround activities.

Corporate and Others

- CAPEX spent by businesses under Corporate and Others during the year amounted to RM5.7 billion with Gentari accounting for 44 per cent of the total spending.
- Gentari's significant investments on the forefront of renewables were mainly on the acquisition of wind and solar assets in India.

Five-Year Key Financial Indicators

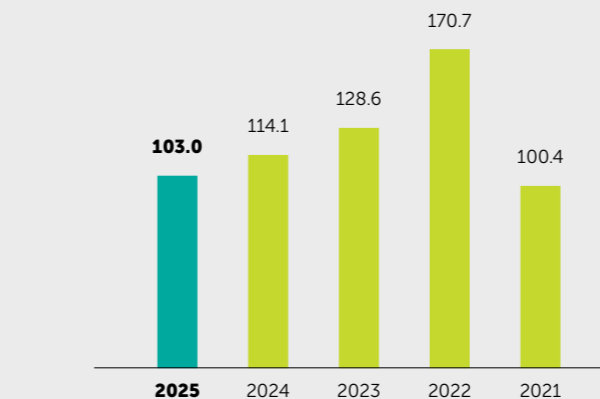
Revenue

(RM billion)



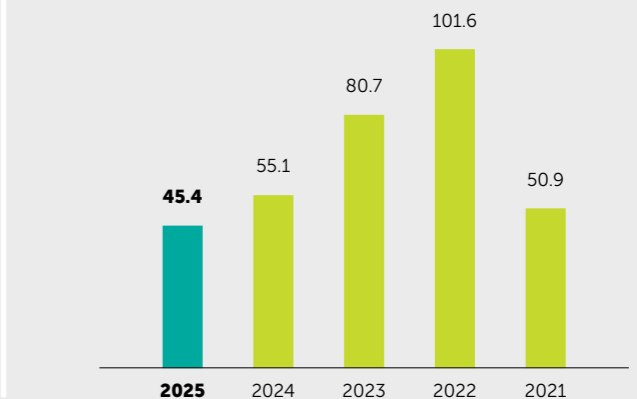
EBITDA

(RM billion)



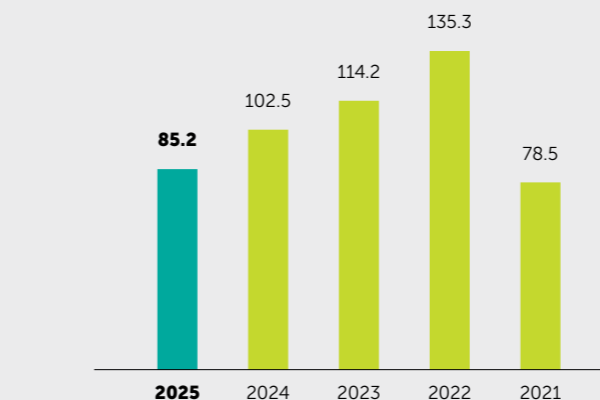
PAT

(RM billion)



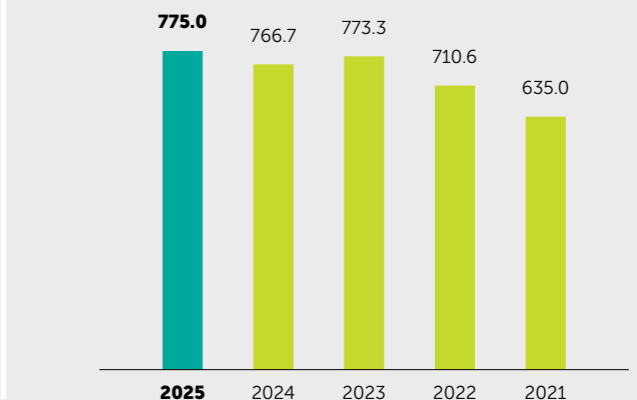
Cash Flows from Operations

(RM billion)



Total Assets

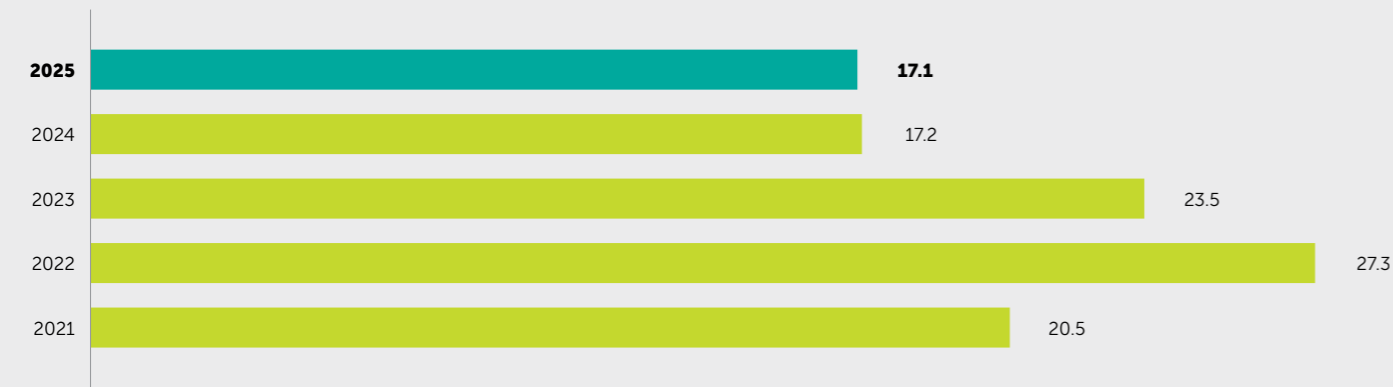
(RM billion)



Group Financial Results and Position

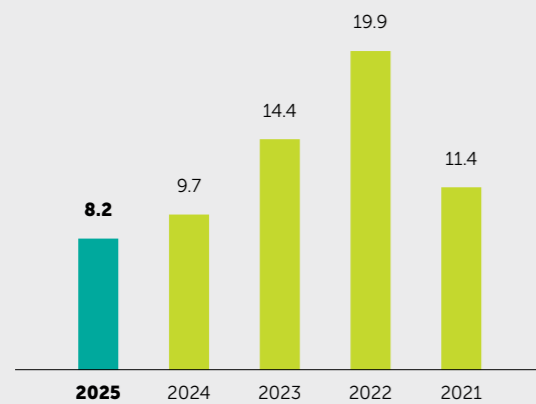
PAT Margin

(%)



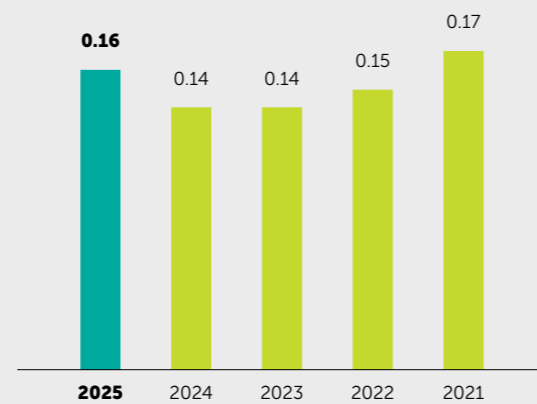
Return on Average Capital Employed (ROACE)

(%)



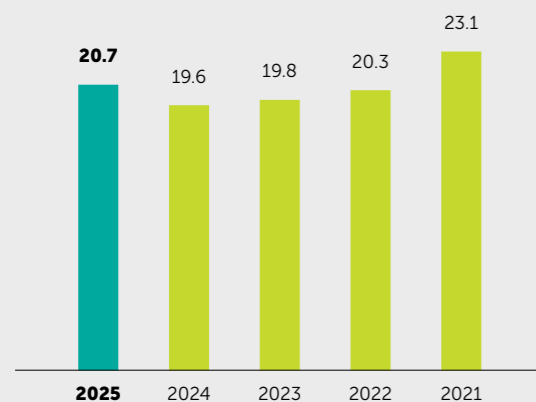
Debt/Assets Ratio

(x)



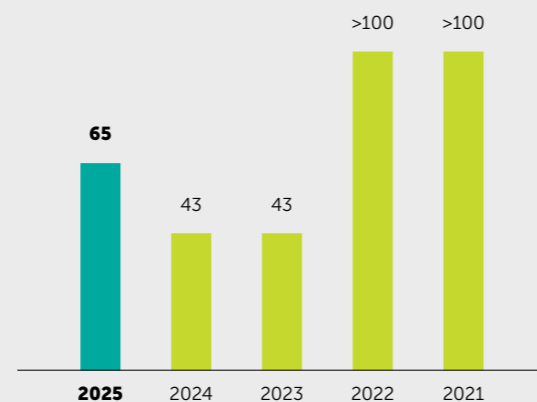
Gearing Ratio¹

(%)



Dividend Payout Ratio

(%)



Note 1: Gearing ratio is calculated as adjusted total debt (total debt including financial guarantees) divided by adjusted total equity (total equity plus deferred tax liabilities and minus capitalised interest) and adjusted total debt. Gearing ratio for corresponding period has been restated to conform with this formula.

Sustainability Disclosure Index

Ipeca Sustainability Reporting Guidance for the Oil and Gas Industry

Ipeca Disclosures	Reference Page
Governance and Business Ethics	
Governance and management systems	GOV-1: Governance approach Corporate Governance at PETRONAS, pages 174-205
	GOV-2: Management systems Creating Sustainable Value through Responsible Governance, pages 86-95 Delivering Net Zero, pages 96-113 Thriving with Nature, pages 114-131 Fostering a Just Transition, pages 132-173 Commitment to Governance at PETRONAS, pages 174-205
Business ethics and transparency	GOV-3: Preventing corruption Corporate Governance at PETRONAS, pages 203-205
Climate Change and Energy	
Climate strategy and risk	CCE-1: Climate governance and strategy Delivering Net Zero, pages 98-99
	CCE-2: Climate risk and opportunities Risks Linked to Creating Value, page 33 Delivering Net Zero, pages 99-102
Technology	CCE-3: Lower carbon technology PETRONAS Energy Transition Strategy, pages 16-19 Delivering Our Strategy, New Business, pages 65-80 Delivering Our Strategy, Net Zero Carbon Emissions, pages 81-82
Emissions	CCE-4: Greenhouse gas (GHG) emissions Delivering Our Strategy, Net Zero Carbon Emissions, page 83 Delivering Net Zero, pages 102-103 Sustainability Key Performance Data
	CCE-5: Methane emissions Delivering Net Zero, pages 104-105, 111-113 Sustainability Key Performance Data
Energy use	CCE-6: Energy use Delivering Net Zero, pages 107-109 Sustainability Key Performance Data
Flaring	CCE-7: Flared gas Delivering Net Zero, pages 106-107, 111-113 Sustainability Key Performance Data



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Ipiecea Disclosures		Reference Page
Environment		
Water	ENV-1: Freshwater	Thriving with Nature, pages 126- 127 Sustainability Key Performance Data
	ENV-2: Discharges to water	Sustainability Key Performance Data
Biodiversity	ENV-3: Biodiversity policy and strategy	Thriving with Nature, pages 115-120
	ENV-4: Protected and priority areas for biodiversity conservation	Thriving with Nature, pages 115-117
Air emissions	ENV-5: Emissions to air	Thriving with Nature, page 128 Sustainability Key Performance Data
Spills	ENV-6: Spills to the environment	Thriving with Nature, page 128 Sustainability Key Performance Data
Materials management	ENV-7: Materials management	Thriving with Nature, pages 121-124, 125-131 Sustainability Key Performance Data
Decommissioning	ENV-8: Decommissioning	Thriving with Nature, pages 116-117
Safety, Health and Security		
Workforce protection	SHS-1: Safety, health and security engagement	Risks Linked to Creating Value, page 34 Creating Sustainable Value through Responsible Governance, pages 87-91 Fostering a Just Transition, pages 134-137
	SHS-2: Workforce and community health	Risks Linked to Creating Value, page 34 Creating Sustainable Value through Responsible Governance, pages 87-91 Fostering a Just Transition, page 141
	SHS-3: Occupational injury and illness incidents	Creating Sustainable Value through Responsible Governance, pages 87-91 Sustainability Key Performance Data
Product health, safety and environmental risk	SHS-5: Product stewardship	Thriving with Nature, pages 125, 129-131
Process safety	SHS-6: Process safety	Creating Sustainable Value through Responsible Governance, pages 34, 63, 87-91 Sustainability Key Performance Data
Security	SHS-7: Security risk management	Risks Linked to Creating Value, page 34 Creating Sustainable Value through Responsible Governance, pages 92-95 Fostering a Just Transition, pages 140, 144

Ipiecea Disclosures		Reference Page
Social		
Human rights management	SOC-1: Human rights due diligence	Fostering a Just Transition, pages 133-144
	SOC-2: Suppliers and human rights	Fostering a Just Transition, pages 137-139, 144, 157-162 Sustainability Key Performance Data
	SOC-3: Security and human rights	Fostering a Just Transition, pages 140, 142, 144 Sustainability Key Performance Data
Labour practices	SOC-4: Site-based labour practices and worker accommodation	Fostering a Just Transition, pages 135-136, 140-143 Sustainability Key Performance Data
	SOC-5: Workforce diversity and inclusion	Fostering a Just Transition, pages 154-155 Sustainability Key Performance Data Corporate Governance at PETRONAS, page 190
	SOC-6: Workforce engagement	Engaging with Stakeholders, page 49 Fostering a Just Transition, pages 136-137, 144-156
	SOC-7: Workforce training and development	Fostering a Just Transition, pages 148-150, 159-161 Sustainability Key Performance Data
Community engagement	SOC-8: Workforce non-retaliation and grievance mechanisms	Fostering a Just Transition, pages 134, 142-143, 152
	SOC-9: Local community impacts and engagement	Engaging with Stakeholders, page 51 Fostering a Just Transition, pages 140-141
	SOC-10: Indigenous peoples	Fostering a Just Transition, page 141
	SOC-11: Land acquisition and involuntary resettlement	Fostering a Just Transition, page 141
	SOC-12: Community grievance mechanisms	Fostering a Just Transition, pages 142-143
Local content	SOC-13: Social investment	Chairman's Letter, pages 12-13 Engaging with Stakeholders, page 51 Thriving with Nature, page 118 Fostering a Just Transition, pages 164-173 Sustainability Key Performance Data
	SOC-14: Local procurement and supplier development	Engaging with Stakeholders, page 50 Fostering a Just Transition, pages 157-162
	SOC-15: Local hiring practices	Fostering a Just Transition, pages 137 and 145-153 Sustainability Key Performance Data

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Global Reporting Initiative (GRI) Standards

Statement of use PETRONAS has reported the information cited in this GRI content index for the period 1 January to 31 December 2025 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

GRI Standard	Disclosure	Reference Page
GRI 2: General Disclosures	2-1 Organisational details	Basis of This Report, pages 4-5 We Are Passionate About Progress, pages 6-7
	2-2 Entities included in the organisation's sustainability reporting	Basis of This Report, Scope and Boundaries, page 4
	2-3 Reporting period, frequency and contact point	Basis of This Report, Scope and Boundaries, page 4
		Basis of This Report, Feedback and Point of Contact, page 5
	2-4 Restatements of information	Sustainability Key Performance Data
	2-5 External assurance	Basis of This Report, Assurance, pages 4-5
	2-6 Activities, value chain and other business relationships	We Are Passionate About Progress, pages 6-9
	2-7 Employees	Sustainability Key Performance Data
	2-8 Workers who are not employees	Sustainability Key Performance Data
	2-9 Governance structure and composition	Commitment to Governance, pages 174-178, 185, 188
	2-10 Nomination and selection of the highest governance body	Commitment to Governance, pages 185-195
	2-11 Chair of the highest governance body	Commitment to Governance, Profile of Board of Directors, page 175-178
	2-12 Role of the highest governance body in overseeing the management of impacts	Commitment to Governance, pages 185-195
	2-13 Delegation of responsibility for managing impacts	Commitment to Governance, pages 185-195
	2-14 Role of the highest governance body in sustainability reporting	Basis of This Report, Approval by the Board, page 5
	2-15 Conflicts of interest	Commitment to Governance, Conflict of Interest, page 191
	2-17 Collective knowledge of the highest governance body	Commitment to Governance, Board Skills and Expertise, pages 174-178
		Commitment to Governance, Board Onboarding and Professional Development Programme, page 192
	2-19 Remuneration policies	Commitment to Governance, pages 185-195
	2-20 Process to determine remuneration	Commitment to Governance, pages 185-195
2-22 Statement on sustainable development strategy	Chairman's Letter, pages 12-13 President and Group Chief Executive Officer's Letter, pages 14-15	

GRI Standard	Disclosure	Reference Page
GRI 2: General Disclosures (cont'd.)	2-23 Policy commitments	Fostering a Just Transition, Our Approach, page 134 Commitment to Governance, PETRONAS Commitment to Integrity, page 203
	2-24 Embedding policy commitments	Fostering a Just Transition, pages 133-134
	2-25 Processes to remediate negative impacts	Fostering a Just Transition, Access to Remedy: Grievance Cases, pages 142-143
	2-26 Mechanisms for seeking advice and raising concerns	Fostering a Just Transition, pages 133-134, 143 and 152
		Commitment to Governance, PETRONAS Commitment to Integrity - Whistleblowing, page 204-205
	2-27 Compliance with laws and regulations	Corporate Governance at PETRONAS, Compliance, pages 198-202
	2-28 Membership associations	Refer to PETRONAS Global website: Our Approach PETRONAS Global
	2-29 Approach to stakeholder engagement	Engaging with Stakeholders, pages 46-51
2-30 Collective bargaining agreements	Fostering a Just Transition, Responsible Labour and Working Conditions, pages 135-137 and 153	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	How We Create Value, Our Approach to Sustainability, Material Topics, pages 40-45
	3-2 List of material topics	How We Create Value, Our Approach to Sustainability, Material Topics, pages 40-45
	3-3 Management of material topics	How We Create Value, Our Approach to Sustainability, Material Topics, pages 40-45
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Thriving with Nature, Nature and Biodiversity, pages 115-116
	101-2 Management of biodiversity impacts	Thriving with Nature, Nature and Biodiversity, pages 115-120
	101-3 Access and benefit-sharing	Thriving with Nature, Nature and Biodiversity, pages 115-120
	101-4 Identification of biodiversity impacts	Thriving with Nature, Nature and Biodiversity, pages 116-117
	101-5 Locations with biodiversity impacts	Thriving with Nature, Nature and Biodiversity, pages 116-117
	101-6 Direct drivers of biodiversity loss	Thriving with Nature, Nature and Biodiversity, pages 115-117
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Chairman's Letter, pages 12-13
		President and Group Chief Executive Officer's Letter, pages 14-15
		Value Creation Model, pages 20-21
		Fostering a Just Transition, pages 164-166
	Group Financial Results and Position, pages 206-218	
	Audited Financial Statements, pages 6-19 (access the Statements via QR code on page 4 of this report)	
201-2 Financial implications and other risks and opportunities due to climate change	Delivering Net Zero, Risk Management, pages 99-102	
201-3 Defined benefit plan obligations and other retirement plans	Audited Financial Statements, pages 101-104 (access the Statements via QR code on page 4 of this report)	

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GRI Standard	Disclosure	Reference Page
GRI 202: Market Presence 2016	202-1 Ratios of standard entry-level wage by gender compared to local minimum wage	Fostering a Just Transition, Human Capital, page 147
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Fostering a Just Transition, Supporting Community Resilience, pages 164-173
	203-2 Significant indirect economic impacts	Engaging with Stakeholders, pages 46-51
		Thriving with Nature, pages 118 and 122
	Fostering a Just Transition, Our Progress, page 164	
GRI 205: Anticorruption	205-2 Communication and training about anti-corruption policies and procedures	Corporate Governance at PETRONAS, pages 199 and 203-205
GRI 301: Materials 2016	301-2 Recycled input materials used	Thriving with Nature, Environmental Management, pages 126-127
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Delivering Net Zero, pages 107-109
	302-4 Reduction of energy consumption	Delivering Net Zero, Energy Efficiency, page 109
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Thriving with Nature, Water Management, pages 126-127
	303-2 Management of water discharge-related impacts	Thriving with Nature, Water Management, pages 125 and 127
	303-3 Water withdrawal	Thriving with Nature, Water Management, pages 126-127
	303-4 Water discharge	Sustainability Key Performance Data
	303-5 Water consumption	Sustainability Key Performance Data
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Key Performance Data
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Key Performance Data
	305-3 Other indirect (Scope 3) GHG emissions	Delivering Net Zero, page 110
	305-4 GHG emissions intensity	Sustainability Key Performance Data
	305-5 Reduction of GHG emissions	Delivering Net Zero, pages 103-107
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Thriving with Nature, Environmental Management, page 128

GRI Standard	Disclosure	Reference Page
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Thriving with Nature, Environmental Management and Circular Economy and Resource Use, pages 126-127
	306-2 Management of significant waste-related impacts	Thriving with Nature, Environmental Management and Circular Economy and Resource Use, pages 121-127
	306-3 Waste generated	Thriving with Nature, Environmental Management, page 127
	306-4 Waste diverted from disposal	Thriving with Nature, Environmental Management, page 127
	306-5 Waste directed to disposal	Thriving with Nature, Environmental Management, page 127
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Fostering a Just Transition, Sustainable Supply Chain, pages 157-162
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Key Performance Data
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Fostering a Just Transition, Human Capital, page 147
	401-3 Parental leave	Fostering a Just Transition, Human Capital, page 153
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Fostering a Just Transition, Human Rights, page 137
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Creating Sustainable Value through Responsible Governance, Health and Safety, pages 87-91
	403-2 Hazard identification, risk assessment, and incident investigation	Creating Sustainable Value through Responsible Governance, Health and Safety, pages 87-91
	403-3 Occupational health services	Creating Sustainable Value through Responsible Governance, Health and Safety, pages 87-91
	403-4 Worker participation, consultation, and communication on occupational health and safety	Creating Sustainable Value through Responsible Governance, Health and Safety, pages 87-91
	403-5 Worker training on occupational health and safety	Creating Sustainable Value through Responsible Governance, Health and Safety, pages 89-90
	403-6 Promotion of worker health	Creating Sustainable Value through Responsible Governance, Health and Safety, pages 87-91
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Risks Linked to Creating Value, page 34 Creating Sustainable Value through Responsible Governance, pages 87-91
	403-9 Work-related injuries	Creating Sustainable Value through Responsible Governance, Health and Safety, page 88
		Sustainability Key Performance Data
	403-10 Work-related ill health	Creating Sustainable Value through Responsible Governance, Health and Safety, page 88



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GRI Standard	Disclosure	Reference Page
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Fostering a Just Transition, Human Capital, page 149 Sustainability Key Performance Data
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Fostering a Just Transition, Human Capital, pages 148-153
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Commitment to Governance, page 174 Sustainability Key Performance Data
	405-2 Ratio of basic salary and remuneration of women to men	Fostering a Just Transition, Diversity and Inclusion, page 154 Sustainability Key Performance Data
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	Fostering a Just Transition, Human Rights, page 142
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Fostering a Just Transition, Human Rights, page 139
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Fostering a Just Transition, Human Rights, page 139
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Fostering a Just Transition, Responsible Security, page 144 Sustainability Key Performance Data
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Fostering a Just Transition, Indigenous Peoples Assessment, page 141
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	Engaging with Stakeholders, pages 46-51 Thriving with Nature, pages 118-119 Fostering a Just Transition, pages 164-173
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Fostering a Just Transition, Strengthening the Supply Chain, pages 157-162
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Thriving with Nature, Product Stewardship, pages 129-131
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Creating Sustainable Value through Responsible Governance, Key Highlights in 2025, page 94

World Economic Forum (WEF) Stakeholder Capitalism Metrics		
WEF Disclosures		Reference Page
Principles of Governance: Core metrics and disclosures		
Governing purpose	Setting purpose	Basis of This Report, pages 4-5 We Are Passionate About Progress, pages 6-7 Value Creation Model, pages 20-21
Quality of governing body	Governance body composition	Commitment to Governance, pages 174-178, 180-184
Stakeholder engagement	Material issues impacting stakeholders	Value Creation Model, pages 20-21 Our Approach to Sustainability, pages 40-41 Material Topics, pages 42-45 Engaging with Stakeholders, pages 46-51
Ethical behaviour	Anti-corruption	Commitment to Governance, pages 203-205
	Protected ethics advice and reporting mechanisms	Commitment to Governance, pages 203-205 Fostering a Just Transition, pages 142-143
Risk and opportunity oversight	Integrating risk and opportunity into business process	Risks Linked to Creating Value, pages 32-39 Delivering Net Zero, pages 98-102
Planet: Core metrics and disclosures		
Climate change	Greenhouse gas (GHG) emissions	Delivering Our Strategy, Net Zero Carbon Emissions, page 83 Delivering Net Zero, pages 103-105
Nature loss	Land use and ecological sensitivity	Thriving with Nature, pages 116-117
Freshwater availability	Water consumption and withdrawal in water-stressed areas	Thriving with Nature, pages 124, 126-127
People: Core metrics and disclosures		
Dignity and equality	Diversity and inclusion	Fostering a Just Transition, pages 154-155 Sustainability Key Performance Data
	Risk for incidents of child, forced or compulsory labour	Fostering a Just Transition, pages 137-139
Health and wellbeing	Health and safety	Creating Sustainable Value through Responsible Governance, pages 88 and 90 Fostering a Just Transition, pages 147 and 151
Skills for the future	Training provided	Fostering a Just Transition, pages 148-150
Prosperity: Core metrics and disclosures		
Employment and wealth generation	Absolute number and rate of employment	Fostering a Just Transition, page 153
	Economic contribution	1. Revenues: 2025 Key Highlights, page 10 2. Community investment: Chairman's Letter, page 12 3. Payment to providers of capital i. Financing costs: Audited Financial Statements, page 104 (Access the Statements via QR code on page 4 of this report)
	Financial investment contribution	Chairman's Letter, pages 12-13
Innovation of better products and services	Total R&D expenses	Value Creation Model, pages 20-21 Delivering Our Strategy, New Business, page 80
Community and social vitality	Total tax paid	Audited Financial Statements, page 105 (Access the Statements via QR code on page 4 of this report)

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International Financial Reporting Standards (IFRS) S2: Climate-related Disclosures

IFRS S2 No.	Disclosure	Reference Page
Governance		
The governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.		
6 (a)	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.	Our Approach to Sustainability, Sustainability Governance, page 41 Delivering Net Zero, Governance, pages 98-99 Corporate Governance at PETRONAS, Board and Management Commitment to Sustainability, page 195
6 (b)	The management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Our Approach to Sustainability, Sustainability Governance, page 41 Delivering Net Zero, Governance, page 98-99 Delivering Net Zero, Risk Management, pages 99-102 Corporate Governance at PETRONAS, Board and Management Commitment to Sustainability, page 195
Strategy		
Strategy for managing climate-related risks and opportunities.		
9 (a)	The climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	Risks Linked to Creating Value, Sustainability Risk, page 33 Delivering Net Zero, Climate Change and GHG Emissions, page 97 Delivering Net Zero, Risk Management, page 99 Delivering Net Zero, Transition Opportunities, page 101 Delivering Net Zero, Climate-related Physical Risks, page 101
9 (b)	The current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain.	Our Approach to Sustainability, page 40 Delivering Net Zero, Risk Management, page 99 Delivering Net Zero, Climate-related Physical Risks, page 101 Delivering Net Zero, Transition Opportunities, page 101
9 (c)	The effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan.	PETRONAS Energy Transition Strategy, page 16 Risks Linked to Creating Value, Sustainability Risk, page 33 Delivering Net Zero, Our Approach, page 98
9 (d)	The effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning.	Basis of This Report, Reporting Journey, page 4 Risks Linked to Creating Value, Sustainability Risk, page 33 Delivering Net Zero, Strategy, page 99
9 (e)	The climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	Delivering Net Zero, Strategy, page 99 Delivering Net Zero, Climate-related Physical Risks, pages 101-102

IFRS S2 No.	Disclosure	Reference Page
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).	Delivering Net Zero, Market Risk, Potential Material Impacts, page 100
Risk Management		
Processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.		
25 (a)	The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks.	Delivering Net Zero, Risk Management, page 99
25 (b)	The processes the entity uses to identify, assess, prioritise 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.	Delivering Net Zero, Transition Opportunities, page 101
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.	Risks Linked to Creating Value, page 26 Delivering Net Zero, Risk Management, page 99
Metrics and Target		
Performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.		
29 (a)	Information relevant to the cross-industry metric categories.	Delivering Net Zero, Metrics and Targets, page 102
29 (b)	Industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry.	Delivering Net Zero, page 105
29 (c)	Targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets.	Our Operating Landscape, Macroeconomic and Policy Realignment, page 24 Delivering Net Zero, Our Approach, page 98 Delivering Net Zero, pages 103-104

Terms and Abbreviations

2C	Contingent Resources
2P	Petroleum Reserves
3Rs	Reduce, Reuse, Recycle
ABC Manual	Anti-Bribery and Corruption Manual
AC	Audit Committee
ASEAN	Association of Southeast Asian Nations
BESS	Battery Energy Storage System
Board	Board of Directors
boe	Barrels of oil equivalent
CAPEX	Capital Investments
CCS	Carbon Capture and Storage
CCUS	Carbon Capture, Utilisation and Storage
CO ₂	Carbon Dioxide
CO ₂ e	Carbon dioxide equivalent
CoBE	Code of Conduct and Business Ethics
COP	Conference of the Parties
DPO	Data Protection Officer
DRO	Discovered Resource Opportunity
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ELT	Executive Leadership Team
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
EV	Electric Vehicle
FEED	Front-End Engineering Design
FID	Final Investment Decision
FLNG	Floating Liquefied Natural Gas
FPSO	Floating Production, Storage and Offloading
FY	Financial Year
GHG	Greenhouse Gas
GJ	Gigajoules
GRI	Global Reporting Initiative
GW	Gigawatt
HETR	Hydrogen Economy and Technology Roadmap
HHFS	Hybrid Hydro Floating Solar
HSE	Health, Safety and Environment
HSSE	Health, Safety, Security and Environment
ICT	Information and communication technology
IFRS	International Financial Reporting Standards
INED	Independent Non-Executive Director
INSTEP	Institut Teknologi Petroleum PETRONAS
ISO	International Organization for Standardization
kboe	Kilo barrels of oil equivalent
kWh	Kilowatt-hours
LCO ₂	Liquefied Carbon Dioxide
LNG	Liquefied Natural Gas
LSS	Large Scale Solar
m ³	Cubic metre
MARA	Majlis Amanah Rakyat
MISC	MISC Berhad
MMscfd	Million standard cubic feet per day
MPM	Malaysia Petroleum Management

MtCO ₂ e	Million tonnes of carbon dioxide equivalent
MTPA	Million tonnes per annum
NbS	Nature-based Solutions
NED	Non-Executive Director
NETR	National Energy Transition Roadmap
NGO	Non-Governmental Organisation
NIMP	New Industrial Master Plan
NRC	Nomination and Remuneration Committee
NSRF	National Sustainability Reporting Framework
NZCE	Net Zero Carbon Emissions
OECD	Organisation for Economic Co-operation and Development
OEE	Overall Equipment Effectiveness
OGDC	Oil and Gas Decarbonisation Charter
OGCI	Oil and Gas Climate Change Initiative
OGMP	Oil and Gas Methane Partnership
OGSE	Oil and Gas Services and Equipment
PCCSV	PETRONAS CCS Ventures Sdn Bhd
PCG	PETRONAS Chemicals Group Berhad
PDB	PETRONAS Dagangan Berhad
PDPA	Personal Data Protection Act
PETRONAS Group	Petroleum Nasional Berhad and its subsidiaries
PETCO	PETRONAS Trading Corporation Sdn Bhd
P-ETA	PETRONAS Energy Transition Academy
PFLNG	PETRONAS Floating Liquefied Natural Gas
PGB	PETRONAS Gas Berhad
PJ	Petajoule
PLC	PETRONAS LNG Complex
PLI	PETRONAS Lubricants International
PSC	Production Sharing Contract
RC	Risk Committee
RM	Ringgit Malaysia
RMC	Risk Management Committee
SAF	Sustainable Aviation Fuel
SDG	Sustainable Development Goals
Seed.Lab	Social Enterprise Education Lab
SME	Small and Medium Enterprises
sm ³	Standard cubic metre
STEM	Science, Technology, Engineering and Mathematics
TCFD	Task Force on Climate-related Financial Disclosures
tCO ₂ e	Tonnes Carbon Dioxide equivalent
TVET	Technical and Vocational Education and Training
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNGP	United Nations Guiding Principles on Business and Human Rights
WBCSD	World Business Council for Sustainable Development
WEF	World Economic Forum





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