

1st Half 2021 Sustainability Disclosure

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Charlotte Wolff-Bye
Chief Sustainability Officer,
PETRONAS

Letter from Chief Sustainability Officer (1 of 3)

Welcome to the 5th publication of PETRONAS's Half Yearly Sustainability Disclosure. In this half-yearly report, I would like to highlight where we are against the three (3) sustainability targets committed by PETRONAS thus far, as well as other notable highlights of our sustainability performance.

In addition, this disclosure includes our position and highlight our efforts in respecting human rights especially for operations in conflict-affected countries. As a global energy player, it is our responsibility to ensure strong governance mechanisms and ethical business practices are in place. Beyond safeguarding our operations, we engage in several efforts to ensure that our presence is positively adding value to the society in the communities where we operate, with the common goal of building a sustainable future together.

Lens 1: Responsible Governance

The energy transition has become the top agenda of countries and corporations across the world. The recent report by Intergovernmental Panel on Climate Change re-affirms that without immediate, rapid and large-scale reductions in greenhouse gas (GHG) emissions, global temperature increase is poised to reach or even exceed 1.5 degrees Celsius in the next decades. In tandem with the heightened interest on energy transition, stakeholders' expectations on effective management of sustainability impacts by companies and corporations are also on the rise. The focus is more so on energy companies which are regarded as both causing and essential in resolving the climate change problem.

Responding to the urgency of the issue, in October 2020, PETRONAS announced its aspirations to achieve net zero carbon emissions by 2050 (NZCE 2050). This aspiration has since been embedded in our PETRONAS's Moving Forward Together 50:30:0 (MFT 50:30:0) target. The components of the 50:30:0 represent 50% improvement in cash flow from operations by 2025, 30% revenue by 2030 from new non-traditional business to complement growth in existing core areas, and 0 represents the NZCE 2050.

In charting the pathway to realise the NZCE 2050 aspiration and strengthening PETRONAS's approach in its long-term sustainability journey, in August 2021 PETRONAS established a dedicated Corporate Sustainability office. This new function is led by myself to drive the integration of the sustainability agenda across key business processes and strengthen the capability to transform PETRONAS into an effective energy company that enriches lives for a sustainable future.

Transparency is a key imperative for a sustainable corporation. Therefore, in April this year, we pledged our commitment to a uniform set of metrics by signing up to the Stakeholder Capitalism Metrics promoted by the World Economic Forum. This commitment to 21 core metrics will allow for comparable disclosures with our peers across the world for the benefit of our stakeholders.

Letter from Chief Sustainability Officer (2 of 3)

Lens 2: Safeguard the Environment

Managing GHG emissions and increasing renewable energy capacity are key components in our journey to realise our NZCE 2050 aspiration. In managing our GHG emissions, we have recorded a total of 22.5 Million tonnes of carbon dioxide equivalent (MtCO₂e) of GHG emissions across our global operations for the first half of 2021. For our Malaysia operations, 21.8 MtCO₂e was recorded against a total of 45.2 MtCO₂e planned for FY2021 which is 4% lower than the same period last year (22.8 MtCO₂e). This is at the back of our target to cap GHG emissions to 49.5 MtCO₂e for our Malaysia operations by 2024. In our mission to increase renewable energy capacity to 3,000 megawatts (MW) by 2024, as at half year 2021, we've installed a cumulative 762 MW renewable energy capacity against plan of 1,228 MW for FY 2021.

On other parts of environmental management, H1 2021 also sees us recording no hydrocarbon spills to the environment that is over one (1) barrel. In addition, we've recorded lower sulphur oxide and nitrogen oxide emissions at 23,953 metric tonnes and 64,888 metric tonnes respectively, compared to the same period in 2020. Reduction of sulphur oxide is due to lower operating level of our refineries, which has led to reduction of approximately 1,100 metric tonnes compared to the same period last year.

On water management, we have recorded a slightly higher freshwater withdrawal volume of 31.59 million cubic metres compared to the same period in 2020. This is due to change where we have included PETRONAS Refinery and Petrochemical Corporation (PRPC) Utilities and Facilities data in the reporting. On waste management, we've recorded 29,046 metric tonne of waste disposed in H1, a slight increase compared to the same period in 2020. The increase in hazardous waste disposal is contributed by tank

cleaning activity at one of the local oil terminals which account for approximately 4,100 metric tonnes of waste.

Lens 3: Positive Social Impact

Integrating the sustainability agenda into PETRONAS's operations entails several key business areas including health, safety and environmental (HSE) management. The senior management of PETRONAS has consistently reinforced the aspiration to achieve zero (0) fatality in our operations as one of the key performance target for HSE Groupwide. This signals the commitment from the top that the safety of our employees and partners is our utmost priority.

Thus, I am pleased to inform that as of June 2021 with 128 million manhours exposure recorded at all entities within our operational control, PETRONAS has not recorded any fatality. Alarmingly, we have observed that the number of Tier-1 Process Safety Event (PSE) is on the rise, with five (5) incidents recorded during the first half of the year. A Tier 1 PSE is a Loss of Primary Containment (LOPC) with the greatest consequence as defined by API 754. It is an unplanned or uncontrolled release of any material, including nontoxic and non-flammable materials, from a process that results in one or more of the consequences as listed in the API 754. We also observed a slight increase in Lost Time Injuries Frequency (per 1 million manhours) from 0.10 in 2020 to 0.11 in H1 2021 and Total Recordable Case Frequency (per 1 million manhours) from 0.29 in 2020 to 0.38 in H1 2021. There is a need for us to strengthen compliance to standards and operating discipline. On the health management front, we recorded an increase in Total Recordable Occupational Illness Frequency (per 1 million manhours) from 0.16 in 2020 to 0.18 in H1 2021 due to a food poisoning incident and noise induced hearing loss incidents.



Letter from Chief Sustainability Officer (3 of 3)

On the health and safety outlook, the second half of the year will bring along new HSE challenges and risks. This includes risks coming from process safety, the monsoon season as well as the uncertainty brought about by new variants of COVID-19 to PETRONAS's operations. Straddling through the ensuing uncertainties, we continue to manage the pandemic impact through our PETRONAS Pandemic Preparedness and Response Team (PPRT). Details of how we managed COVID-19 can be referred to in our <u>Integrated Report 2020</u>. In addition to our on-going efforts, and in support of the community at large, this year, we've also introduced programs such as the 'Food Bank Programme', Graduate Employability Enhancement Scheme and support of the 'Cerdik' initiative to provide devices with data connectivity to more than 12,000 less privileged students.

Despite the discouraging trends in the first half of 2021, we will be vigilant in managing our HSE risks by increasing management oversight and implementing initiatives anchoring on Leadership, Culture and Compliance across all our operations. Efforts to leverage Digitalisation, Technology, and Innovation to ensure timely and efficient HSE decisions will also be fortified for the overall sustainability of our operations.

We are also progressing in our efforts to nurture our future generations. As of first half of 2021, 1,837 education beneficiaries were recorded against a total of 6,697 beneficiaries planned for FY2021. Since 2020, a cumulative total of 7,025 beneficiaries has been recorded in line with our target to reach over 24,000 beneficiaries through various education programs between 2020 to 2024.

With increasing focus on operational efficiency, Businesses are prioritising manning fulfilment while concurrently taking into consideration the optimum level of manning at the beginning of the year. Therefore, in H1 2021, we saw a reduction of 60% of new hires and 2% reduction in overall manpower compared to the same period in 2020. It is expected that this number will show an increasing trend because of the hiring of our scholars graduating in the second half of the year. However, this manpower level will also be balanced out with a higher attrition rate due to the implementation of Early Leaving Service Option (ELSO) for eligible employees who are interested to depart early from their employment with PETRONAS. As at H1 2021, total PETRONAS manpower stood at 47,344.

Lens 4: Value Creation

We believe that our sustainability efforts bring value to the organisation both in the short and the long-term. In August this year, we announced our Half-Year Results. Good progress has been achieved through continued operational excellence and favourable market conditions during the period in review. Details of the H1 2021 financial performance can be accessed here.

Call to Action

Despite the positive progress we are making, there is a lot more to be done. The only way to move forward is 'Together'. Collaborative efforts with our stakeholders including suppliers, partners, consumers, and communities are pertinent for the success of our sustainability journey. I am excited to go through this journey with you. Do follow us at www.petronas.com as we embrace the opportunities ahead. Enjoy this First Half 2021 edition and have a look at the progress we have made so far.



Preface

Armed with the goal of achieving NZCE 2050, this edition remains guided by our Sustainability Agenda and the four lenses of sustainability, in alignment with United Nations Sustainable Development Goals (UN SDGs).







As such, our reporting approach in this edition has been enhanced by linking the half yearly sustainability performance data to our sustainability stories. The performance data are also mapped to key international sustainability reporting standards. This ensures the credibility of the report while continuously improving the sustainability performance data disclosure.

Sustainability Performance Indicators

- 1. International Petroleum Industry Environmental Conservation Association (IPIECA)/ American Petroleum Institute (API)/ International Association of Oil & Gas Producers (IOGP) Sustainability reporting guidance for the oil and gas industry
- 2. Global Reporting Initiative (GRI) Standards



We hope you will benefit from this disclosure report of the first half of 2021 and would like to call upon you to continue lending us your support in our journey towards a sustainable future. We welcome any feedback that you may have at sustainability@petronas.com.



Key Highlights



GHG Emissions Reduction

Target: Cap GHG emissions to 49.5 Million tonnes of carbon dioxide equivalent (MtCO₂e) for our Malaysia operations by 2024

Year End Projection

45.2 MtCO₂e

On installed renewable energy capacity, 762 MW were recorded against planned of 1,228 MW for FY 2021. Lockdown measures on COVID-19 have impacted the final investment decisions and intercompany project's deliverables which resulted in re-phasing of the projects to 2022. Realisation of year end target is subjected to smooth execution of planned projects at both international and domestic space.

As of year-to-date June 2021, 21.8 MtCO $_2$ e was recorded against planned for FY 2021 of 45.2 MtCO $_2$ e for our Malaysia operations, and another additional one MtCO $_2$ e from PETRONAS Refinery and Petrochemical Corporation (PRPC) Utilities and Facilities (UF). Most of the emissions were contributed by Upstream business, followed by Gas + New Energy and Downstream. The data includes GHG emissions from entities that are within PETRONAS's operational control.



Step Up on Clean Energy

Target: Increase renewable energy capacity to cumulative 3,000 Megawatts (MW) by 2024

Cumulative Capacity

762 MW



Nurture Future Leaders

Target: Reach over 24,000 beneficiaries through education programmes cumulatively between 2020 to 2024

Cumulative Beneficiaries since 2020

7,025 pax

1,837 education beneficiaries were recorded for the first half of this year against a total of 6,697 beneficiaries planned for FY 2021. 5 planned programs have been successfully carried out as of year-to-date and 3 other programmes will commence in Q3 2021. On-going efforts are in place to realise the year-end target, subject to the smooth execution of all planned programs. The total cumulative beneficiaries recorded since 2020 to date is 7,025 beneficiaries.

Note: Performance data highlighted are those with an established target. For other PETRONAS's sustainability data, go to PETRONAS 1st Half 2021 sustainability performance data

PETRONAS is committed to respecting internationally-recognised human rights in line with the United Nations Guiding Principles on Business and Human Rights (UNGP), in compliance with PETRONAS Code of Conduct and Business Ethics ("CoBE") and all other applicable laws where we operate. Anchoring from our Human Rights Commitment, governance and controls have been established to manage human rights risks across our business operations. More information on our human rights processes are available in our PETRONAS Human Rights Report which is published on our corporate website (PETRONAS Human Rights Report).

Human Rights and Social Performance

Our commitment to social performance includes conducting business in an ethical, responsible and transparent manner, in accordance with internationally recognized standards of integrity, openness and accountability and in compliance with applicable laws and regulations. This commitment is upheld in our CoBE, which not only promotes legal and procedural compliance, but also ensures that our individual behaviour is in line with our PETRONAS Shared Values - loyalty, professionalism, integrity and cohesiveness. As part of the commitment, we apply integrated controls throughout PETRONAS's systems and processes including areas of Risk Management, Procurement and Supply Chain, HSE, Human Resource Management, Business Operations, Legal and Security.

Compliance Controls and Framework

Our compliance controls and programmes including that on human rights management, are derived from a comprehensive framework comprising:

- 1. Governance and Risk Assessment: Policies, standards and guidelines are established and set the tone from the top, and form the basis for carrying out internal controls across the organisation. It is an important foundation that includes listing individuals' roles and responsibilities, which establishes the overall culture of an organisation.
- 2. Training and Awareness: To strengthen employees' awareness on human rights, training and programmes are established to raise awareness across the PETRONAS Group on critical, legal areas including human rights management and compliance.



- 3. Due Diligence and Contractual Obligations: A robust due diligence process is established to safeguard PETRONAS from entering into transactions that may violate human rights. Additionally, as part of our commitment and efforts in upholding the respect for human rights, the imposition of strict clauses in our contracts will also ensure compliance by our counterparties in respect of human rights obligations and management.
- 4. Business Practice: Business practice are actions established through policies and procedures in our holding company units and subsidiary companies' daily activities on critical legal areas including human rights management and compliance. The activities may include preventive or detective controls and usually include a segregation of duties to ensure appropriate checks and balances
- 5. Monitoring and Assurance: Monitoring and assurance activities are established to ascertain the adequacy and effectiveness of controls established. Ongoing evaluations of 3rd party transactions via periodic reviews and compliance assurance are conducted to improve our legal compliance programs





Anti-bribery and Corruption Compliance as Part of Human Rights Management

Corruption and bribery are among the main contributors to significant negative impact on human rights. Our stance on doing business ethically and with integrity means corruption is totally unacceptable and compliance to anti-corruption is taken very seriously. We have zero tolerance towards illegal or unethical conduct, and this is articulated in our Anti Bribery and Corruption Policy and Guidelines ("ABC Manual"). All PETRONAS Group employees, directors and third parties performing work or services for or on behalf of PETRONAS Group, are required to, at all times, adhere to the CoBE, ABC Manual as well as applicable anti-bribery and anti-corruption laws. No bribes, facilitation payments or other corrupt payments may be offered or received by any of our employees, directors or third parties.

As part of our commitment to uphold ethics & integrity, and in managing the risk of violations of the CoBE and ABC Manual, we encourage our employees, third parties and members of the public to report concerns of any unethical conduct. Our PETRONAS Whistleblowing Policy provides employees, third parties and members of the public with an avenue to disclose any improper conduct (misconduct, criminal offence or malpractices), and it also accepts and enables the option of anonymous complaints to be made. The whistleblower and personnel involved will be accorded with protection of confidentiality to the extent reasonably practicable. In addition, both employee and personnel who whistleblow will be protected against any adverse or detrimental actions, provided that the report of any improper conduct is made in good faith, even though it was discovered after the end of the investigation that the whistleblower was mistaken. Whistleblowers are also kept updated on the process, adhering to procedures in place. PETRONAS's Whistleblowing Committee deliberates and decides on the course of action for the submissions and monitors the progress of submissions until case closure. The CoBE, ABC Manual and Whistleblowing Policy and Procedures are available on the PETRONAS corporate website.



Respecting Human Rights – Our Commitment

Human Rights Management in Specific Operations – South Sudan

With our operations located in many countries around the world, local socio-political challenges can create complexity in managing human rights risks. Yet, despite the challenges, PETRONAS strives always to uphold its commitment to respect human rights and the United Nations Guiding Principles on Business and Human Rights (UNGP) in compliance with our COBE and all other applicable requirements where we operate.

In South Sudan, PETRONAS is present through three Joint Operating Companies (JOC) with other partners. The operations are conducted by the incorporated JOCs and being separate legal entities, they act independently of the parent companies. PETRONAS is not the operator for any of the operations in South Sudan. PETRONAS continues to advocate the JOCs to respect and uphold human rights guided by prudent corporate governance and strict business practices.

More information on our efforts in building a sustainable energy future in South Sudan is available in the PETRONAS FLOW magazine which is featured on our corporate website (PETRONAS FLOW).

Overall, our experience in South Sudan has pushed us to further strengthen our internal governance such as on human rights due diligence technical standards and guidelines on human rights. As a partner, the company strives to fulfil its commitment to respect human rights within the ambit of the respective agreements governing the operations by the JOCs.



Respecting Human Rights – Our Commitment

Human Rights Management in Specific Operations - Myanmar

In Myanmar, where PETRONAS's subsidiary company is the operator, we have taken the extra efforts beyond regulatory requirements to conduct a social risk assessment and human rights due diligence for our operations in Yetagun and other sites.

We have then taken steps to address the matters identified through the said assessment and due diligence. For example, in strengthening our engagement with key stakeholders, we have formalised a grievance management process. Like in South Sudan, we have also conducted Awareness and Capability Building on human rights for all employees. PETRONAS looks forward to a peaceful resolution for the benefit of the people of Myanmar.

Ongoing Improvement

PETRONAS continues to improve its human rights management and compliance programs from the lessons learned during implementation as well as feedback from staff, communities and other stakeholders, including a third-party assessment in 2020, on our human rights management.

The good practices from other operations in Malaysia and Canada on engagements with communities in regard to human rights, and consistent monitoring of gap closure plans, have been shared with other operations for mutual benefit.





Committed to Greater Transparency

PETRONAS's Statement of Purpose, "A progressive energy and solutions partner enriching lives for a sustainable future", entails not only delivering products and services for bottom line value creation, but also approaching it through a responsible and holistic manner.

As such, in April 2021, PETRONAS adopted the core set of the Stakeholder Capitalism Metrics (SCM) sponsored by the International Business Council (IBC) of the World Economic Forum (WEF). This alignment further strengthens PETRONAS's efforts to benchmark our progress on sustainability matters and improve transparency in our disclosure.

It also demonstrates our support for a greater convergence of existing environment, social and governance (ESG) standards, frameworks and principles, as well as progress toward a globally accepted solution for common ESG metrics.

With this integration, future disclosure of PETRONAS's Sustainability performance will be in line with the SCM's recommended core metrics, which are anchored on the pillars of Prosperity, Planet, People and Principles of Governance, and are consistent with PETRONAS's Sustainability Agenda.







Delivering Innovative and Customer-Centric LNG Solutions

In support of global energy demand shifts towards lower-carbon fuels, PETRONAS continues to offer a unique and innovative suite of Liquefied Natural Gas (LNG) solutions through investments and promotion of cleaner energy compared to more polluting fossil fuels.

A prime example is the PETRONAS's LNG Bunkering. Another is the Virtual Pipeline System (VPS) which was launched in September 2020. The VPS delivers LNG directly to remote and off-grid customers using trucks fitted with cryogenic tanks. Ultimately, it ensures a consistent and long-term supply of LNG for our customers.

An opportunity to put the system to the test came in June 2021, when the LNG Bunkering successfully conducted its first transfer operation to MV Solar Roma, Liberian Tanker via our LNG Bunker Vessel (LBV) – MV Avenir Advantage – at the Pintu Gedung anchorage in Port Klang, Malaysia.

The LBV solution offered significant improvements over conventional port and fluid transfer systems by reducing the loading period, requiring less dock space, as well as increasing safety and reliability.

In this recent feat with MV Solar Roma, the LNG bunker managed to transfer 865 m³ of LNG in less than 12 hours upon its arrival at the anchorage.

The successful operation demonstrates PETRONAS's commitment in delivering innovative solutions to our customers while also capturing the growing market of bunkering solutions and providing lower-carbon fuel for the marine industry.













PFLNG DUA Makes First Shipment

Guided by our Sustainability Agenda to realise the NZCE 2050 aspiration, PETRONAS continues to deploy innovative energy solutions to ensure the sustainability and flexibility of energy supply.

PETRONAS's second floating Liquefied Natural Gas (LNG) facility, the PFLNG DUA, successfully made its first shipment of LNG cargo in March 2021 – a milestone that has bolstered our commitment to continue to provide our customers with cleaner energy. This achievement has also further strengthened our progress towards low-carbon energy transition.

PETRONAS is the first global energy company to own and operate two floating LNG facilities. PFLNG SATU can reach gas fields of up to 200 metres while PFLNG DUA is capable of reaching water depths of up to 1,500 metres. Both facilities are capable of producing a total of 2.7 million tonnes of LNG annually.

PETRONAS is proud to pioneer yet another world's first in FLNG solutions and lead the industry towards a more sustainable future in LNG production. With PFLNG DUA's first cargo, we've proven to the market that it is possible to safely open up new deep-water sources of cleaner energy economically in a sustainable manner that safeguards the environment.

Adnan Zainal Abidin

Executive Vice President and Chief Executive Officer, Gas + New Energy













Realising a Decarbonised World through Strategic Partnerships

The journey of energy transition towards a decarbonised world require collaborations with multiple facets across the industry. Realising this, in January this year, PETRONAS signed a Memorandum of Understanding (MoU) with JERA Co., Inc. (JERA), Japan's largest power generation company.

Through the MoU, driven by a shared vision to achieve NZCE 2050, both companies will collaborate on a wide range of low-carbon energy initiatives, covering Liquefied Natural Gas (LNG), ammonia and hydrogen.

In the LNG space, PETRONAS and JERA will explore the establishment of LNG bunkering network taking advantage of both companies' experience in LNG bunkering.

PETRONAS, which possesses an established portfolio of renewable energy and capabilities in petrochemical production, is now expanding into production of blue and green hydrogen. The blue and green hydrogen can be converted into chemicals such as ammonia for the purpose of transportation.

The signing of the MoU complements PETRONAS's position to be a competitive low-carbon and green hydrogen solutions provider, aligning well with our commitment to grow our business while contributing positively to society and environment.

The collaboration was formalised by PETRONAS Executive Vice President, Gas + New Energy, Adnan Zainal Abidin, and Corporate Vice President and Chief Operating Officer, Business Development Department, JERA, Yukio Kani.













Reducing Scope 1 GHG Emissions through Hydrocarbon Venting and Flaring Reduction

The energy transition pathway towards 1.5°C has reverberated the call for prudent climate actions. Anchored on the principle of 'reduction' in our NZCE 2050 aspiration, PETRONAS has consistently channeled our efforts to generate value from monetised hydrocarbons through the reduction of venting and flaring.

On 1st July 2021, our Upstream business successfully commissioned a vent to flare conversion project at Baronia BNV platform in Sarawak, Malaysia, as part of our efforts to reduce Scope 1 GHG emissions. The project that was initiated back in 2010 involves replacement of a new ignition system which translated to a 78% reduction in GHG emissions from the venting source.

Moving forward, PETRONAS will continue to heighten efforts towards achieving zero continuous flaring and venting of hydrocarbons to further reduce our GHG emissions and realising our NZCE 2050 aspiration.

As we continuously strived for operational excellence in tandem with other low-carbon and innovative solutions, since the introduction of the PETRONAS Carbon Commitments in 2012, we have successfully reduced 13.4 $\rm MtCO_2e$ cumulatively till 2020. This represents an approximate 20% reduction of our GHG emissions compared to Business-as-usual (BAU) situation.



PETRONAS Food Bank: Spreading CARE through Tough Times

The COVID-19 pandemic has created unprecedented challenges for people around the world, affecting lives and livelihoods.

Conscious of the plight of those in need, PETRONAS established food banks that provide essential items at selected PETRONAS petrol stations across Malaysia. The items were then made available to underprivileged communities, easing their burden.

The Food Bank Programme has since been extended to more than 350 PETRONAS petrol stations in Malaysia by our marketing arm, PETRONAS Dagangan Bhd and gained the support from its partners and employees. As of 20th September 2021, the programme has collectively contributed RM1.7 million worth of food supply to an estimated of over 230,000 families. Members of the public can also make their own contributions to the food banks by using the mobile refueling application, Setel.

Tösd Bank S

The Food Bank Programme is on top of PETRONAS's contribution of approximately RM128.5 million to various COVID-19 relief efforts. These include contributions to medical supplies and equipment to several hospitals across Malaysia. Other efforts undertaken by PETRONAS also extend to participation in the Graduate Employability Enhancement Scheme and support of the CERDIK initiative to provide devices with data connectivity to more than 12,000 less privileged students.

In this challenging time, it is heartwarming to see Malaysians come together to help those truly in need, and this includes our station dealers. We appreciate this gesture of goodwill and together, we can scale it up for greater impact. We leverage on our physical network, enabling our digital avenues and want to make it easy for everyone to join in the cause.

Azrul Osman Rani

Managing Director and Chief Executive Officer, PETRONAS Dagangan Berhad





Unlocking Steps for a Greener Earth

In 2019, PETRONAS introduced a walking challenge as part of a signature health and wellbeing programme for its employees. Called the walk4trees Challenge, the name indicated its strategic intent: for every 1 million steps collected, 1 tree will be planted by the organisation. With an overall target to collect 20 billion steps, the challenge was initially open to PETRONAS employees and later scaled up to the members of the public.

To prepare and manage the tree saplings, we collaborated closely with our philanthropic arm, Yayasan PETRONAS (or PETRONAS Foundation), to train and empower identified local communities to set up and run nurseries for a minimum of three years. This way, the challenge did not just positively impact the health and wellbeing of everyone involved, it also benefitted the environment and enhanced the livelihoods of the communities, true to PETRONAS's purpose of enriching lives for a sustainable future.

At the end of the challenge in May 2021, not only did PETRONAS meet its goals, but we even went above and beyond, collecting 4 billion steps more than we had planned. This translated to more than 24,000 trees to be planted at identified locations around Malaysia.

The tree-planting exercise is currently ongoing and is expected to be completed by April 2022.

Despite facing setbacks and delays due to the COVID-19 pandemic, everyone came together as a virtual community that was engaged and committed to help heal our planet, while spreading positivity in this world that we share.

This is a key effort under our flagship MESTIfit4Health programme where we focus on promoting a healthy lifestyle amongst our employees. With the additional element of planting trees, the challenge becomes even more meaningful as we're able to contribute to the environment, which fits well into our NZCE 2050 aspiration.

Datin Dr Norsayani M Yaakob

Head, Occupational Health PETRONAS







Technological development and innovation form the key enablers towards a sustainable future for PETRONAS. Hence, PETRONAS strives to push boundaries of technology and innovative solutions to drive operational excellence by establishing and implementing its digital transformation agenda.

In recognition of its enterprise-wide technology-digital transformation agenda, PETRONAS Digital Sdn Bhd (PDSB), PETRONAS's digital arm, won three awards at the recent Malaysia Technology Excellence Awards 2021.

The three awards bagged were:

- Al-driven Live Advisory for LNG Plant Start-Up in the Al Award category,
- Health, Safety, Security and Environment Analytic Suite of Products in the Analytics category,
- PETRONAS Integrated Pipeline Integrity Assurance Solutions (i-PIMS) in the Digital category.

These projects leveraged cross-functional collaborations to create innovative digital solutions to improve day-to-day operations, while ensuring the health and safety of the people in the operating environment.

Data is the new oil. We have a treasure trove of data and technologies, and when we unleashed the innovative minds of our people to tap it, they were able to use analytics, automation and artificial intelligence to generate value by further improving our existing services and systems.

Aadrin AzlyChief Digital Officer PETRONAS

















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