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Sustainability in PETRONAS

Are Japanese companies ready for the low-carbon transition?

13.12.2022

The PETRONAS Group adopts zero tolerance against all forms of bribery and corruption. All employees are to abide by the PETRONAS Code of Conduct and Business Ethics (CoBE) & Anti-Bribery and Corruption (ABC) Manual, guided by our Shared Values and Statement of Purpose

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Global agenda on sustainability changing the role of business in society

Since 2015, the role of business in driving sustainability has been amplified

2030 Agenda
for Sustainable Development

SUSTAINABLE DEVELOPMENT GOALS

LEAVE NO ONE BEHIND

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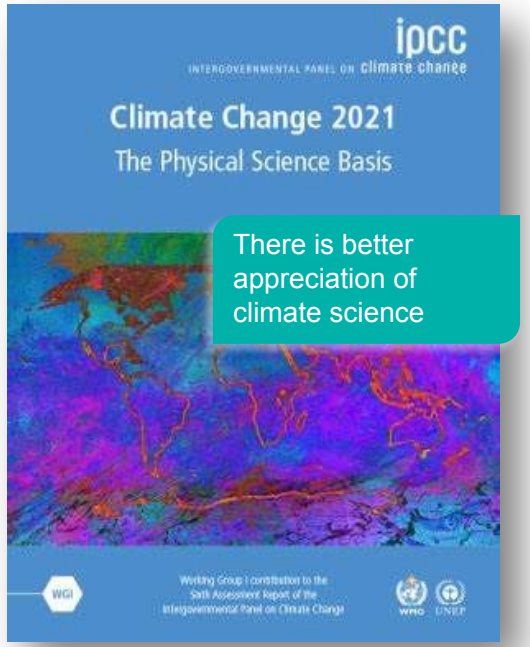
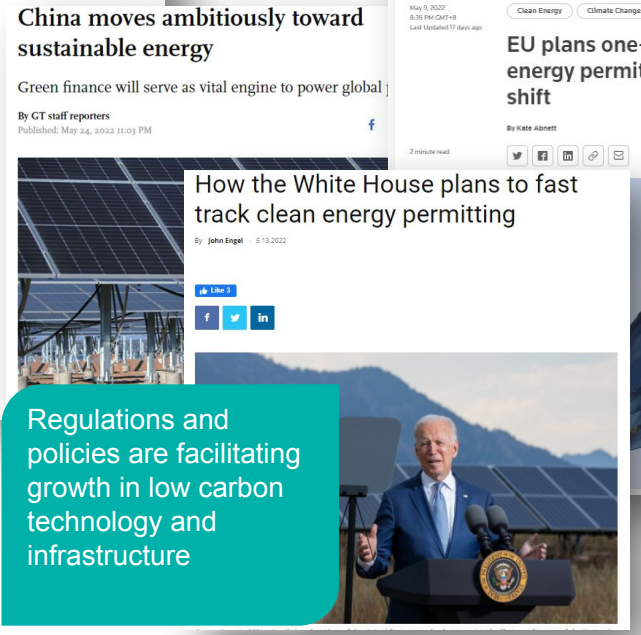
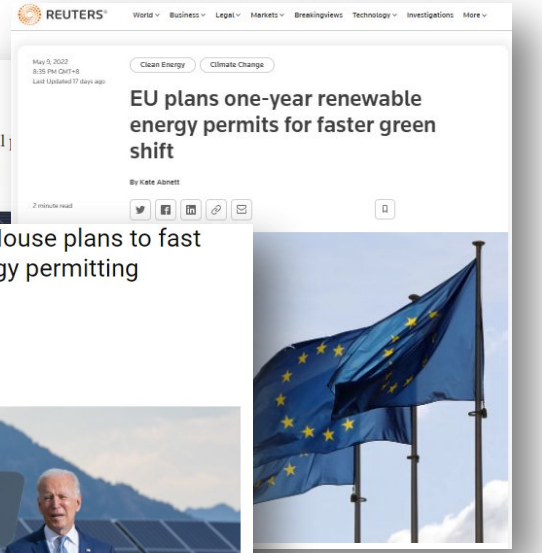
Accelerating pace of energy transition

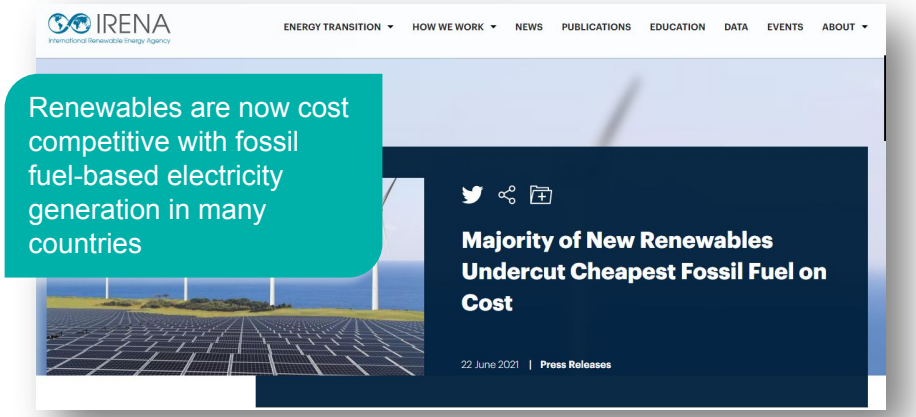


There is better appreciation of climate science





Regulations and policies are facilitating growth in low carbon technology and infrastructure



Renewables are now cost competitive with fossil fuel-based electricity generation in many countries

Geo-political tension that threatens energy security is heightening the need for low carbon energy

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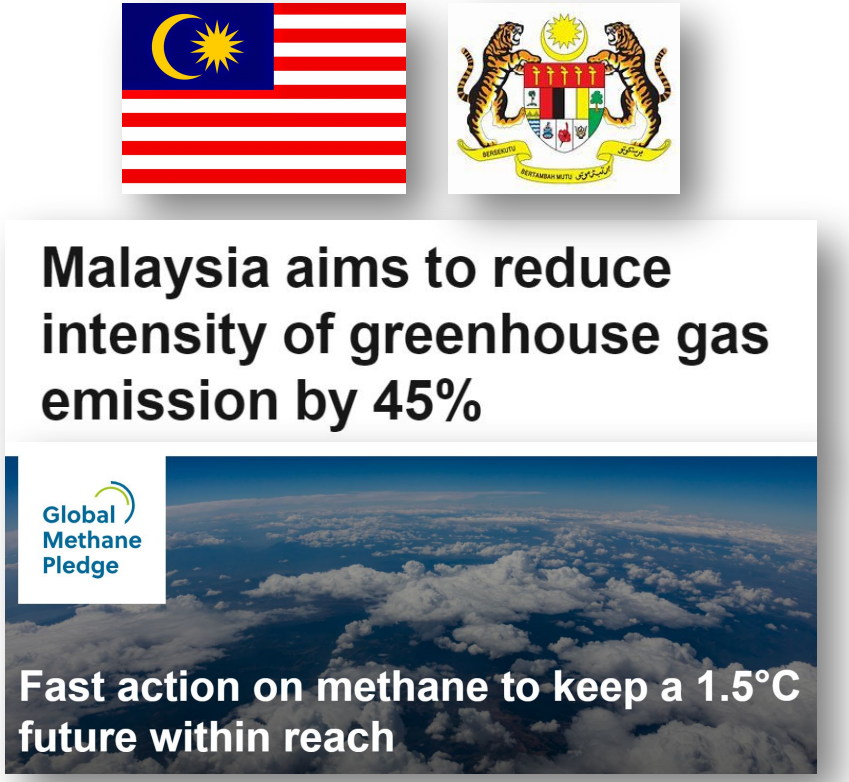
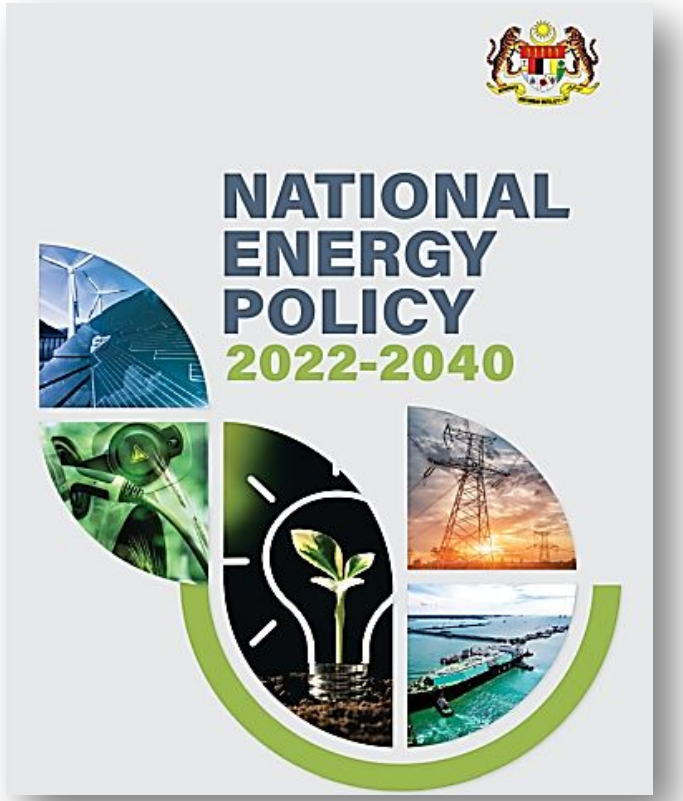
Malaysia's commitments and plans towards sustainability and decarbonisation guide PETRONAS' actions

12th Malaysia Plan



Malaysia's Nationally Determined Contribution & Global Methane Pledge



National Energy Policy

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Turning risks into opportunities

Three main global crises as per United Nations

Climate change

Nature loss

Inequality

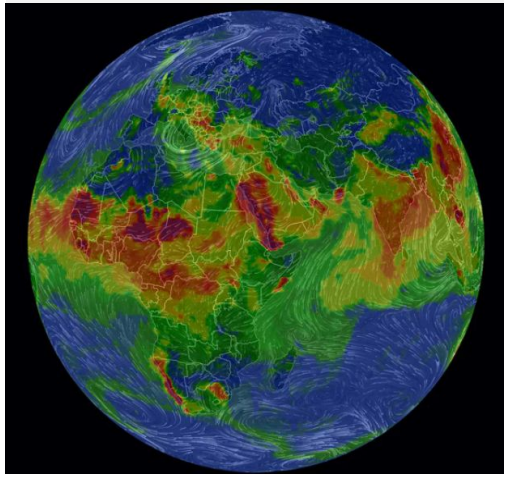
Role of business in turning risks into opportunities

Climate action

Nature action

Social action

Businesses have a crucial role in delivering sustainable progress for society without negatively impacting the environment, community, or society



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Sustainability in PETRONAS

As a purpose-driven organisation, Sustainability considerations contribute directly to what we do as a business, how we operate and how we engage with employees, customers, suppliers, service providers, local communities, regulators, investors and other stakeholders

Statement of Purpose

A progressive energy and solutions partner enriching lives for a sustainable future

Sustainability Agenda

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Targets toward Net Zero Carbon Emissions 2050

Greenhouse gas emissions[1]

Methane emissions (direct support to greenhouse gas emissions target)

[1] Greenhouse gas emissions inclusive of Carbon Dioxide (CO_2), Methane (CH_4) and Nitrous Oxide (N_2O) measured in CO_2e

[2] Natural gas value chain here is aligned with Oil and Gas Climate Initiative (OGCI)'s reporting parameters, which includes production processing and storage, transportation, distribution and end use of natural gas.

2024	49.5 $MtCO_2e$	49.5 $MtCO_2e$ cap for PETRONAS Malaysia operations
2025	↓50%	50% Methane emissions reduction for PETRONAS natural gas value chain operations[2] (from 2019 levels)
2030	↓ 25%	25% Greenhouse gas emissions reduction for PETRONAS (from 2019 levels)
	↓70%	70% Methane emissions reduction for PETRONAS natural gas value chain operations[2] (from 2019 levels)
	↓50%	50% Methane emissions reduction for Malaysia natural gas value chain operations[2] (from 2019 levels)
2050	Net Zero	Net Zero Carbon Emissions for PETRONAS (from 2019 levels)

Operational Control approach

Equity Share approach

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Strategy toward Net Zero Carbon Emissions 2050

PETRONAS' actions towards Net Zero

Reduce greenhouse gas emissions

Operational emissions reduction

- Zero routine flaring and venting
- Energy efficiency
- Electrification
- Carbon capture and storage

Supply lower carbon, cleaner and greener energy solutions

Business growth opportunities in the low carbon economy

- Renewable energy
- Hydrogen
- Specialty chemicals
- Green mobility
- Biofuels
- Circular economy
- Nature-based climate solutions

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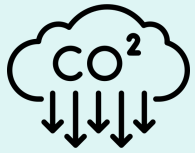
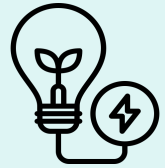
Ecosystem engagement and transformation towards a low carbon economy



Carbon Capture & Storage
Harmonise policies to accelerate adoption

Circular Economy
Increase adoption and promote ecosystem approach



Clean energy and green solutions
Develop new technologies (H_2, biofuels, RE, etc.) and innovative platform

Reporting & disclosure
Streamline with international framework

Small-Medium Enterprises
Build resilience in green growth and low carbon economy

Community and society
Promote local skill building for a just transition

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Passionate about Progress

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