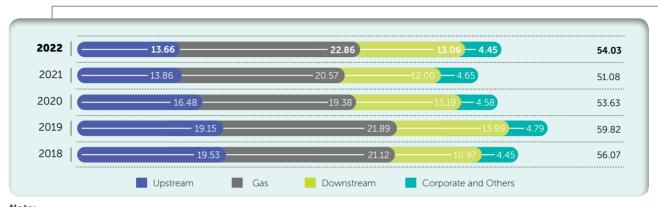


GHG Emissions - Operational Control

Total Greenhouse Gas (GHG) Emissions Breakdown by Business (Million tCO,e)



Note:

 CO_2e = carbon dioxide equivalent. This unit converts all other GHGs into the common denominator of CO_2e using Global Warming Potential (GWP) factors following the Intergovernmental Panel on Climate Change (IPCC) 4^{th} Assessment Report (AR4).

In reviewing and improving our GHG emissions accounting methods, the total GHG emissions for operational control changed from previous disclosures due to the change of organisational boundary during re-baselining activities conducted in FY2022. Changes in scope since 2021 disclosures cover the inclusion of VESTIGO* and Iraq operations and removal of Myanmar because of divestment.

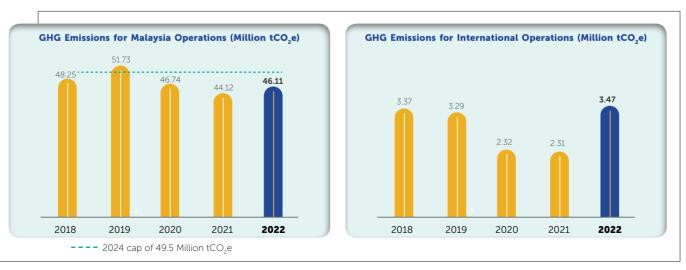
Our emissions in 2022 were higher compared to 2021 due to increased operational activities along the value chain following recovery from the COVID-19 pandemic.

The short-term target of capping GHG emissions at 49.5 Million tCO_2 e by 2024, includes the oil and gas value chain where more than 90 per cent of GHG emissions are contributed by activities in Upstream, Gas and Downstream Malaysia operations excluding Corporate and Others** activities. Furthermore, GHG emissions accounting for Corporate and Others require further refinements due to different organisational boundary used previously. Hence, subsequent analysis depicted below exclude Corporate and Others.

- * VESTIGO is a wholly owned subsidiary of PETRONAS Carigali Sdn Bhd, focusing on development and production activities.
- ** Corporate and Others include MISC Group and KLCC Property Holdings.

GHG Emissions Breakdown by Region (Million tCO,e)

(Excludes Corporate and Others)



In FY2022, total GHG emissions from Scope 1 and Scope 2 for Malaysia and International assets under operational control boundary is 49.58 Million tCO_2e .

In the oil and gas value chain, GHG emissions from Gas business contributed 46 per cent, followed by 28 per cent from Upstream and 26 per cent from Downstream. 96 per cent of emissions were from Scope 1 where the sources were mainly from stationary combustion, flaring and venting. Meanwhile Scope 2 only contributed to 4 per cent of Scope 1 and 2 emissions.

GHG emissions from Malaysia operations have been showing positive improvements, as it remained below the cap of 49.5 Million tCO_2e . This was contributed by ongoing investment in GHG emissions reduction efforts from FY2019 to FY2022 despite economic downturn. For international operations, total GHG emissions from Scope 1 and Scope 2 increased in FY2022 due to the increase in production from Iraq and Canada operations.

GHG Emissions Breakdown by Scope, Gases and Sources for Operational Control (Excludes Corporate and Others)

Key Performance Indicators	2018	2019	2020	2021	2022
GHG Emissions (Million tCO ₂ e)	51.62	55.02	49.06	46.43	49.58
Breakdown by Scope					
Scope 1 (Million tCO ₂ e)	49.66	53.09	47.14	44.67	47.62
Scope 2 (Million tCO ₂ e)	1.96	1.93	1.92	1.76	1.96
Breakdown by Gas (only Scope 1)					
Carbon dioxide (CO ₂) (million tonnes)	39.65	42.57	38.40	38.71	42.15
Methane (CH ₄) (thousand tonnes)	394.33	413.51	343.49	232.23	215.40
Nitrous Oxide (N ₂ O) (thousand tonnes)	0.53	0.62	0.54	0.59	0.69
Breakdown by Sources (only Scope 1)					
Combustion (Million tCO ₂ e)	31.65	34.93	31.62	31.85	33.53
Flaring (Million tCO ₂ e)	8.98	8.37	7.16	7.33	8.33
Venting (Million tCO ₂ e)	8.28	9.20	7.53	4.81	3.74
Others (Million tCO ₂ e)	0.76	0.58	0.82	0.68	2.01

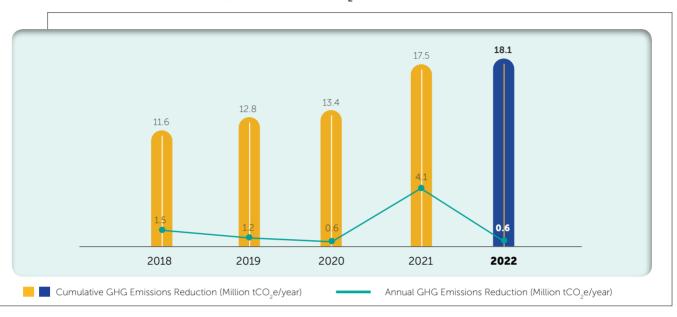
PETRONAS uses the Global Warming Potential values from the Intergovernmental Panel on Climate Change (IPCC) 4th Assessment Report.

GHG Intensity by Business Segments

	2018	2019	2020	2021	2022
Upstream					
Total (tCO ₂ e/kboe)	56.75	51.39	50.30	38.93	34.57
Malaysia Assets (tCO ₂ e/kboe)	75.55	65.83	65.27	47.69	40.15
International Assets (tCO ₂ e/kboe)	21.07	19.28	14.99	19.47	23.92
Downstream					
Refineries (tCO ₂ e/bbl)	0.018	0.018	0.019	0.018	0.020
Petrochemicals (tCO ₂ e/tonnes)	0.68	0.68	0.66	0.67	0.68



GHG Emissions Reduction from Projects (Million tCO,e/year)

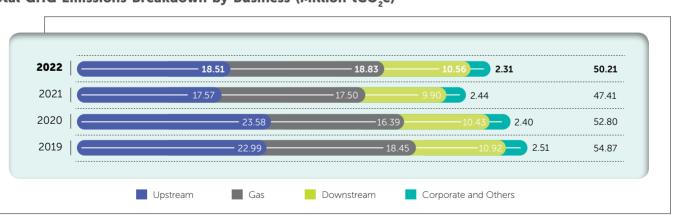


GHG emissions reduction are calculated as per ISO 14064-2: 2019 and do not reflect the year-on-year GHG emissions differences. According to ISO 14064-2, GHG projects are activities that alter the conditions of a GHG baseline and which cause GHG emissions reduction or GHG removal enhancements.

Cumulatively since 2013, we have reduced 18.1 Million tCO_2 e of GHG emissions from our operations. Over the years, GHG emissions reduction was achieved through flaring and venting reduction initiatives in Upstream as well as energy efficiency improvements in Gas and Downstream businesses. Moving forward, electrification and CCS efforts will contribute more to meet our short-term and mid-term targets.

GHG Emissions – Equity Share

Total GHG Emissions Breakdown by Business (Million tCO,e)



Equity share reflects economic interest, which is the extent of rights a company has to the risks and rewards flowing from an operation. Hence, PETRONAS has set mid-term and long-term targets by referring to FY2019 as the base year on equity share approach. The GHG emissions for FY2019 is adjusted to be 54.87 Million tCO_2 e taking into consideration divestments and changes of equity ownership in Upstream business, as well as new information obtained from equity partners in Gas and Downstream businesses. In 2022, Gas business contributed the highest GHG emissions (37.50 per cent), followed by Upstream business (36.87 per cent), Downstream business (21.03 per cent), and Corporate and Others (4.60 per cent).

GHG Emissions Breakdown by Region (Million tCO,e)

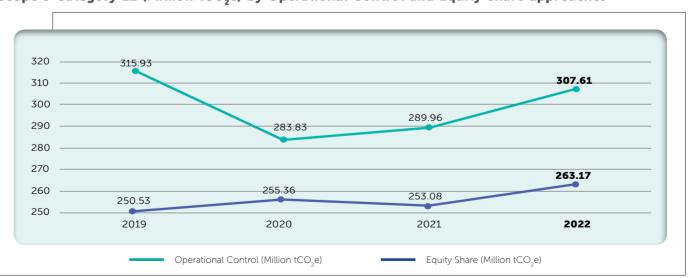
(Excludes Corporate and Others)



Key Performance Indicators (Excludes Corporate and Others)	2019	2020	2021	2022
Total GHG Emissions (Million tCO ₂ e)	52.36	50.40	44.97	47.90
- Scope 1 (Million tCO ₂ e)	50.87	48.87	43.48	46.48
- Scope 2 (Million tCO ₂ e)	1.49	1.53	1.49	1.42

In 2022, total GHG emissions under the Equity Share approach is 47.90 Million tCO_2e , excluding Corporate and Others. A reduction of 10.50 per cent from 2019 levels was recorded for Malaysia operations, while there was an increase of 6.60 per cent for international operations from 2019 levels. This was due to the increase in upstream production as well as new investments.

Scope 3 Category 11 (Million tCO,e) by Operational Control and Equity Share approaches



PETRONAS has started to calculate and disclose Scope 3 GHG emissions for Category 11: Use of Sold Products. PETRONAS has plans to validate the Scope 3 methodology and conduct external verification in subsequent years. Under operational control and equity share approaches, Scope 3 GHG emissions show a 6.09 per cent and 3.99 per cent increase respectively compared to 2021. This is due to the increase in energy demand post-COVID 19 recovery.



Cumulative Renewable Energy Installed Capacity

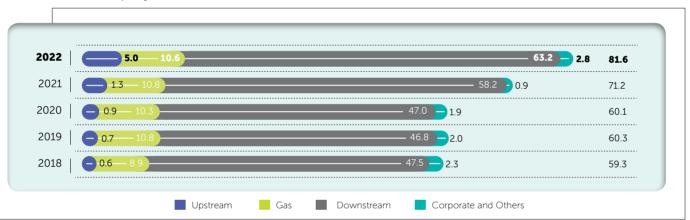
Key Performance Indicators	2018	2019	2020	2021	2022
Total Cumulative Renewable Energy Installed Capacity (megawatt)	10	10	644	851	1,086*
Malaysia (megawatt)	10	10	19	29	81
International (megawatt)	n/a	n/a	625	822	1,005

Note:

Environment

Total Freshwater Withdrawal

(million cubic metres per year)



Water	2018	2019	2020	2021	2022
Total Freshwater Withdrawal (million cubic metres per year)	59.3	60.3	60.1	71.2	81.6
Malaysia (million cubic metres per year)	56.4	57.0	56.8	70.2	76.8
International (million cubic metres per year)	2.9	3.3	3.3	1.0	4.8
Discharges to Water (tonnes of hydrocarbon)	715	648	532	452	487
Air Emissions	2018	2019	2020	2021	2022
Total Sulphur Oxides Emissions (tonnes)	113,256	110,214	84,225	47,954	60,116
Total Nitrogen Oxides Emissions ¹ (tonnes)	151,519	148,446	138,035	133,962	62,790
Waste	2018	2019	2020	2021	2022
Number of Hydrocarbons Spills into the Environment over One Barrel ² (Number of cases)	7	7	5	2	2
Total Hazardous Waste Disposed (tonnes)	34,688	42,121	33,349	59,228	76,485

Note

^{*} Cumulative renewable energy capacity is 1.6GW, including installed and those under development.

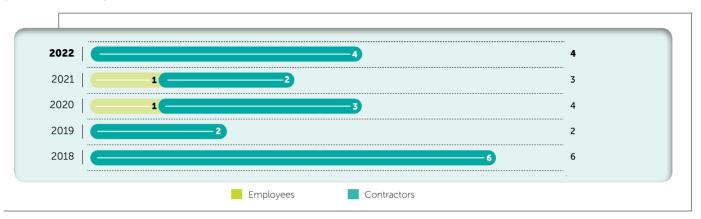
¹ Total nitrogen oxides emissions for 2022 stood at 62,790 tonnes from 133,962 tonnes in 2021, mainly due to omission of emission load data from ships due to ongoing review of reporting method, and revision in calculation methodology for floating Liquefied Natural Gas (LNG) and power plant.

² One barrel is equivalent to 159 litres.

Safety

Number of Fatalities

(Number of cases)



Key Performance Indicators	2018	2019	2020	2021	2022
Total man-hours worked (million hours)	466	355	273	268	292
Employees (million hours)	130	133	120	120	126
Contractors (million hours)	336	222	153	148	166
Fatal Accident Rate (FAR) (Number per 100 million man-hours)	1.29	0.56	1.47	1.12	1.37
Employees (Number per 100 million man-hours)	0.00	0.00	0.00	0.00	0.00
Contractors (Number per 100 million man-hours)	1.79	0.90	1.96	1.35	2.41
Lost Time Injury Frequency (LTIF) (Number of cases per one million man-hours)	0.09	0.11	0.10	0.14	0.13
Employees (Number of cases per one million man-hours)	0.12	0.08	0.09	0.10	0.11
Contractors (Number of cases per one million man-hours)	0.08	0.12	0.11	0.17	0.14
Total Reportable Case Frequency (TRCF) (Number of cases per one million man-hours)	0.38	0.34	0.29	0.41	0.34
Employees (Number of cases per one million man-hours)	0.32	0.28	0.27	0.28	0.26
Contractors (Number of cases per one million man-hours)	0.41	0.37	0.31	0.52	0.40
Total Recordable Occupational Illness Frequency (TROIF) (Number of cases per one million man-hours – employees)	0.22	0.23	0.39	0.24	0.32

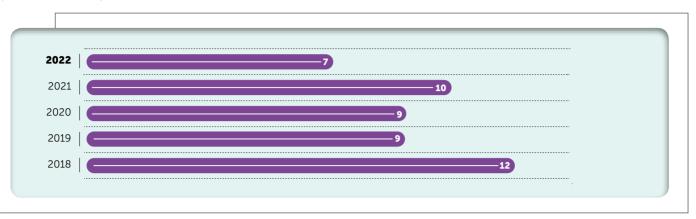
Note:

The Fatal Accident Rate (FAR) and Total Reportable Case Frequency (TRCF) for 2021 was updated due to the revision in total man-hours worked.



Number of Tier 1 Process Safety Events¹

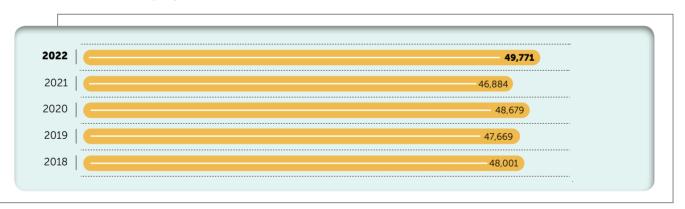
(Number of cases)



Note:

Employees

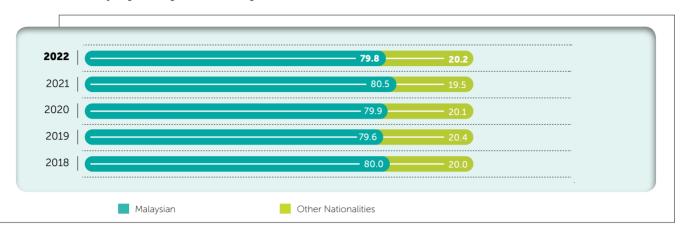
Total Number of Employees



Manning for 2022 increased by 6.2 per cent as business operations started to pick up post-COVID-19 and new growth areas were pursued.

¹ A Tier 1 Process Safety Event is a Loss of Primary Containment (LOPC) with the greatest consequence as defined by API 754, Process Safety Performance Indicators for the Refining and Petrochemical Industries. 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.

Breakdown of Employees by Nationality (%)



Breakdown of Employees by Region (%)





Employees

Key Performance Indicators	2018	2019	2020	2021	2022
Employment Type (%) Permanent Contract	87	88	86	87	88
	13	12	14	13	12
Age Group (%) Above 35 Below 35	49	52	53	59	60
	51	48	47	41	40
Total Number of Union Members	9,949	8,420	8,476	8,353	8,929

Note:

Contract employees are given partial entitlement to benefits covering salary, leave, allowances, medical, financing and talent development.

Gender Diversity

Key Performance Indicators	2018	2019	2020	2021	2022
Employees by Gender (%) Women Men	27	27	28	28	29
	73	73	72	72	71
Senior Management (%) Women Men	11	15	19	26	22
	89	85	81	74	78
Management Committee (%) Women Men	12	11	22	22	22
	88	89	78	78	78
Board of Directors (%) Women Men	20	14	25	30	18
	80	86	75	70	82
Women in Technical Positions (%)	13	14	14	14	14

Notes

- The company continues its D&I efforts to ensure fair opportunities for management roles.
- Parental leave covers maternity and paternity leave only.
- 99% of those who took parental leave, both male and female, had returned to work.

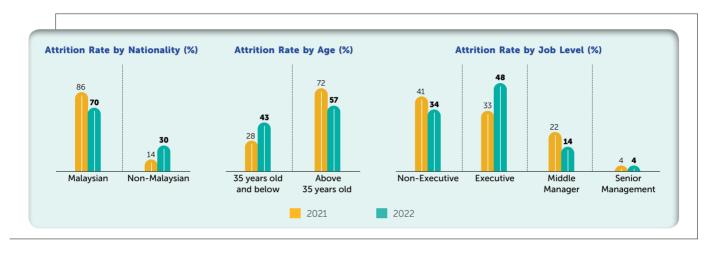
New Hires

Key Performance Indicators	2018	2019	2020	2021	2022
Total Number of New Hires (Core businesses in Malaysia)	2,512	3,498	2,160	2,172	5,210
Malaysian	2,098	2,989	2,003	1,982	4,358
Non-Malaysian	414	509	157	190	852



Employee Attrition

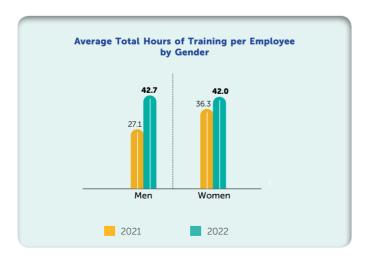
Key Performance Indicators	2018	2019	2020	2021	2022
Employee Attrition Rate (%)	6.5	5.5	4.9	8.4	6.6
Women	7.3	1.8	1.3	2.8	1.9
Men	6.2	3.7	3.6	5.7	4.7

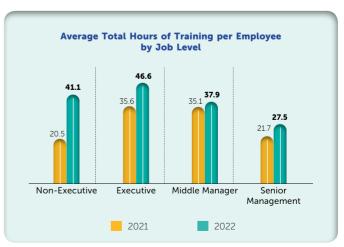


Talent and Future Pipeline

Training and Development

Key Performance Indicators	2018	2019	2020	2021	2022
Training days per employee	7	7	5	4	4.9
Training investment per employee (RM)	6,649	6,543	3,588	2,386	5,433
Average total hours of training per employee					
(person hours)	52.8	53.6	36	30	39.1







Groupwide Technical Expertise

Key Performance Indicators	2018	2019	2020	2021	2022
Technical Authorities (TA)	577	340	501	601	618
Technical Professionals (TP)	941	1,028	1,173	1,281	1,384
Technical Trade Specialists (TTS)	225	240	259	262	266

Sponsorship

Key Performance Indicators	2018	2019	2020	2021	2022
Number of PETRONAS Scholars Recruited	262	206	219	220	293
Recruited by PETRONAS (%)	63	67	61	66	64
Recruited by Others (%)	37	33	39	34	7
Number of Scholarships Awarded to Malaysians	329	399	370	302	587
International Universities (%)	49	46	25	34	34
Malaysian Universities (%)	51	54	75	66	66
Number of Scholarships Awarded to Non-Malaysians at Universiti Teknologi PETRONAS	88	78	42	41	41

Note:

29 per cent of PETRONAS' scholars are currently pending placement.

Human Rights

Key Performance Indicators	2018	2019	2020	2021	2022
Number of security personnel trained in human rights policies or procedures	210	161	913	1,415	617