

# 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

### Input

#### FC Financial Capital

- RM773.3 billion in total asset value

#### MC Manufactured Capital

- Property, Plant and Equipment: **RM326.4 billion**

#### HC Human Capital

- A diversified workforce of **54,105 employees** across the globe
- **RM330 million** invested in training and development

#### IC Intellectual Capital

- **RM644 million** invested in technology
- **195** research and development laboratories

#### NC Natural Capital

- **16 per cent** capital expenditure spent on decarbonisation projects and cleaner energy solutions
- **9.35 billion** barrel of oil equivalent (Bboe) 2P Reserves

#### SRC Social and Relationship Capital

- More than **RM850 million** invested in Social Impact activations covering education, community well-being and development and environment

 Read more on page 40.

## ... Enable Value-Adding

### Material Topics

#### Safeguard the Environment

- Climate Change Risks
- Environmental Management
- GHG Emissions
- Nature and Biodiversity



#### Continued Value Creation

- Circular Economy
- Economic Contribution
- Innovation and Technology
- Lower Carbon and Energy Transition Business
- Sustainable Supply Chain



#### Positive Social Impact

- Employee Attraction, Retention and Development
- Health and Well-being
- Human Rights
- Safety Management



#### Responsible Governance

- Corporate Governance
- Cyber Security and Data Protection
- Ethics and Integrity



 Read more on page 53.

### Market Landscape

- Geopolitics
- Economy
- Energy Transition
- Exploration and Production
- Gas and LNG
- Oil Market
- Chemicals
- Environmental Regulation

 Read more on page 12.

**Supported By A Robust Governance Framework:** Highest standard of governance and effective board leadership

Activities That Create ...

...Value For Our Stakeholders.

Activities



**Upstream**  
 Cost Efficiency



**Gas**  
 Overall Equipment Effectiveness



**Downstream**  
 Overall Equipment Effectiveness



**Project Delivery and Technology**  
 OTOBOS and Technology Solutions



**Gentari**  
 Deliver Cleaner Energy Solutions



**Other Businesses**

- Maritime and Logistics – Sustainable maritime transportation solutions
- Property – Financial sustainability

Key Risks

- Market
- Financial Liquidity
- Legal and Regulatory
- Sustainability
- Health, Safety, Security and Environmental
- Geopolitical
- Hydrocarbon Reserves and Resources
- Technology
- Execution
- Human Capital

Read more on page 59.

Outputs and Outcomes

Financial Capital

- RM80.7 billion Profit After Tax
- RM40 billion dividend to shareholder

Manufactured Capital

- 32.9 million metric tonnes (MMT) of overall LNG sales
- 10.4 million metric tonnes (MMT) of petrochemicals production volume
- 296.1 million barrels of petroleum product sales volume

Human Capital

- 48,752 employees completed training and development programmes
- 58.2 average total hours of training per employee (hours/person)

Intellectual Capital

- 50 new products and softwares launched
- 1 proprietary chemical formulation
- 35 patents secured
- 880 projects were executed according to on time, on budget, on scope (OTOBOS)

Natural Capital

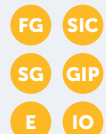
- 2,431 thousand barrels of oil equivalent (boe) per day crude oil, condensates and natural gas production
- 1.8 million tonnes CO<sub>2</sub>e per year of GHG emissions reduced through emissions reduction projects.
- 57,424 tonnes total hazardous waste reused, recycled and recovered

Social and Relationship Capital

- More than 3 million beneficiaries worldwide from PETRONAS' Social Impact activations

Read more on page 40.

Stakeholders



Read more on page 42.