

STAKEHOLDER ENGAGEMENT

At PCG, we understand that fostering long-term value relies on building and maintaining strong relationships with our stakeholders. Through consistent and inclusive engagement, we remain attuned to their evolving needs, aligning our strategic decisions with their priorities to deliver tangible and mutually beneficial outcomes.

FREQUENCY OF ENGAGEMENT

- Annually
- Bi-Annually
- Quarterly
- Alternate Month
- Monthly
- Bi-Monthly
- Weekly
- Daily
- As Required
- On Requests

EMPLOYEES



Our employees are integral to driving innovation, sustainability and operational excellence. Their skills, dedication and engagement enable us to achieve our strategic priorities and deliver sustainable growth.

Total Employees:
6,728

ENGAGEMENT PLATFORM AND FREQUENCY:

- Townhall
- Talent development programmes
- Leadership training sessions
- Organisational Culture Survey
- Staff engagement and appreciation initiatives
- Knowledge-sharing forums
- Health, Safety and Environment (HSE) campaigns
- Employee Value Proposition (EVP) workshops
- Employee Recognition and Long Service Award
- Wellness events

WHY WE ENGAGE:

To nurture a resilient, engaged and future-ready workforce that thrives in a dynamic environment and supports our goals of operational excellence, business sustainability and growth.

KEY CONCERNS:

- Well-being and mental health
- Health, Safety and Environment (HSE)
- Diversity and Inclusions (D&I)
- Work-life balance
- Human rights
- Cybersecurity

RESPONSE:

- Continued investments in mental health programmes and flexible work policies
- Provided a safe working environment to our employees with stringent HSE policy and procedures
- Enhanced efficiency through targeted interventions addressing gaps in difficult conversations, change management and team empowerment
- D&I data is tracked and monitored at the Board level, ensuring fair representation and opportunities for all employees. Key efforts include promoting women in leadership through targeted development programmes and mentorship initiatives, as well as rolling out awareness campaigns on inclusivity to foster a more equitable workplace culture

VALUE CREATED FOR STAKEHOLDER:

- Fostered a high-performing generative culture through strengthened productivity and engagement frameworks, as well as externally-organised training and conferences
- Recognised employees' long-term contributions
- Enhanced employee well-being and satisfaction, leading to improved retention and workplace harmony
- Ensured a safe, inclusive and empowering environment, aligned with our sustainability goals
- Supported career advancement and leadership development, enabling employees to thrive in their roles

CUSTOMERS



The trust and support of customers is what we seek to maintain and build on at all times. Our ability to deliver innovative products and solutions that meet their evolving needs is key to our sustainable growth.

Total Number of Customers:
2,624

ENGAGEMENT PLATFORM AND FREQUENCY:

- Meetings with customers
- Customer satisfaction surveys
- Feedback management system
- Customer engagement programmes
- Product Stewardship workshops

WHY WE ENGAGE:

Our customers play an integral role in our business growth. In order to deliver quality value-added products, we need to understand their expectations, which will, in turn, build customer loyalty.

KEY CONCERNS:

- Product quality
- Product delivery
- Sustainable products
- Product pricing and credit terms
- Supply reliability

RESPONSE:

- Design distinct value propositions for each customer segment
- Integrate product stewardship into the Research & Development (R&D) process to develop safe and sustainable products
- Collaborate with strategic partners to create high-performance and competitive products
- Strategic sourcing to support volume shortage due to plant interruptions

VALUE CREATED FOR STAKEHOLDER:

- Ensured timely and reliable delivery of products to customers, maintaining our 95% Order Fulfilment Reliability (OFR) rate
- Launched 18 new products, 6 co-created innovative solutions and 288 technical solutions to aid customer business growth
- Addressed all the 14 complaints received in 2024, sustaining our Customer Feedback performance score
- Engaged customers through 14 Product Stewardship sessions and technical talks for safe chemical handling and product value maximisation
- Provided innovative and diverse product solutions to customers, including sustainable solutions to meet growing expectations

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SUPPLIERS AND VENDORS



A resilient value chain is essential for our continuous operations. Therefore, we create strong relationships with our suppliers and vendors, to uphold good governance that benefits everyone across the supply chain.

Total Number of Vendors:

5,210*

* Excluding BRB

ENGAGEMENT PLATFORM AND FREQUENCY:

- Performance evaluations
- Day-to-day interactions
- Regular meetings
- Forums
- Site visits

WHY WE ENGAGE:

Our suppliers and vendors support us in delivering high-quality materials and services that will enable us to create value for our products. This relationship means we provide suppliers and vendors with the right support to thrive in the market.

KEY CONCERNS:

- HSE
- Human rights
- Ethical business practices
- Sustainability in the supply chain

RESPONSE:

- Implement stringent policies, e.g., HSE to protect the suppliers' and vendors' well-being
- Provide robust grievance mechanisms for suppliers
- Incorporate EESG requirements in our procurement process
- Developed PETRONAS Supplier Support Programme (PSSP) to accelerate sustainability adoption within the supply chain

VALUE CREATED FOR STAKEHOLDER:

- Maintained a reliable supply chain with minimal operational disruptions
- Improved safety performance in terms of lower Total Vehicle Accident Rate and zero fatality involving product transport recorded since 2019

BUSINESS PARTNERS



We form strategic partnerships and joint ventures (JVs) with other industry players to exchange ideas and expertise, as well as further expand our business.

Number of Associates and JVs:

12

ENGAGEMENT PLATFORM AND FREQUENCY:

- Periodic meetings
- Day-to-day interactions
- Strategic dialogues
- Conferences and forums

KEY CONCERNS:

- Performance of our JV companies
- Reliability of PCG's feedstock supply
- Good governance, internal controls and compliance
- Aligning the implementation of sustainability initiatives and tracking of GHG emissions from associates and JVs

RESPONSE:

- Maintain high plant reliability to ensure a consistent supply of feedstock to JV operating plants
- Close monitoring of JVs' performance and building upon benefits resulting from partnerships
- Strengthen good governance, internal controls and compliance through improvement of the assurance programme and leverage shareholders' governance practices
- Enhance governance practise through our partners implementation of self-assurance programmes
- Continue verification of GHG reporting for non-operational controlled joint ventures

VALUE CREATED FOR STAKEHOLDER:

- Optimised overall value chain efficiency through integrated operations with JV partners
- Ensured good governance in all JVs' business operations
- Collaborated closely with partners to optimise value creation by prioritising feedstock and utilities allocation, as well as shared cost
- Provided business development opportunities through innovative solutions and collaborative partnerships

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SHAREHOLDERS AND INVESTMENT COMMUNITY



As essential providers of financial capital, we regularly engage with our shareholders and investors so that they can make fair and informed investment decisions.

Number of Shareholders:

31,109

(as at 31 December 2024)

ENGAGEMENT PLATFORM AND FREQUENCY:

- One-to-one and group meetings
- Financial results briefings
- Investment conferences and roadshows
- General meetings
- ● Plant and office visits
- Knowledge sharing webinars
- Email correspondence and phone calls

WHY WE ENGAGE:

With the financial capital from our shareholders and investors enabling our business and sustainable growth, we continuously seek to keep them informed to nurture trust and confidence in our ability to fulfil our commitments and goals.

KEY CONCERNS:

- Sustainable value creation
- Company's operational, commercial and financial performance
- Growth project progress and deliverables
- Sustainability and EESG matters
- Corporate governance

RESPONSE:

- Provide access to board members and senior management
- Regular and frequent communication utilising available communication platforms such as conference calls, virtual and one-on-one meetings
- Transparent, continuous and timely disclosure
- Readily available data and information
- Compliance with corporate disclosure guidelines

VALUE CREATED FOR STAKEHOLDER:

- Delivered shareholder returns via stable dividend payments
- Invested financial resources in growth initiatives
- Provided sufficient disclosure to enable informed investment decisions by existing and future shareholders
- Ensured investors views are taken into account in management and board's decisions
- Committed to transitioning to Net Zero Carbon Emissions (NZCE) by 2050

GOVERNMENT AND REGULATORS



With a wide international presence, we work closely with relevant authorities to navigate changes and increasing complexity in the regulatory landscape and ensure consistent and continuous compliance.

Number of Engagement Sessions:

192

ENGAGEMENT PLATFORM AND FREQUENCY:

- Regular reporting to relevant agencies
- Joint working committee with state governments
- ● ● Regular meetings and briefings with agencies/regulators
- Stakeholder engagement programmes
- Scheduled courtesy call

WHY WE ENGAGE:

Our strong relationship with the government and regulators enables us to effectively manage our operation within legal frameworks and stay abreast of emerging and changing regulations.

KEY CONCERNS:

- Regulatory compliance
- Economic impact
- Safety and environmental management
- Human rights
- Sustainability and EESG matters

RESPONSE:

- Establish transparent communication with relevant bodies
- Collaborate with relevant agencies with common objectives
- Establish frequent scheduled engagement sessions

VALUE CREATED FOR STAKEHOLDER:

- Enhanced regulatory collaborations for improved plant operations by periodically engaging with relevant state and national authorities
- Submitted regular and required reports to authorities
- Ensured plant operations are equipped with appropriate safeguards and monitoring tools
- Guaranteed that commercial operations had adequate safeguards and monitoring tools
- Supported Foreign Direct Investment (FDI) through strategic collaborations with government bodies
- Continues compliance with regulatory framework
- Alignment on sustainability priorities

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COMMUNITIES



The long-term health of our business is linked to the health of the communities we serve. We strive to create meaningful and inclusive contributions for everyone impacted by our operations.

Number of Reach:

>220,000 people

ENGAGEMENT PLATFORM AND FREQUENCY:

- Social impact programmes
- Briefings and engagement

WHY WE ENGAGE:

Our operations may directly or indirectly impact communities, therefore community engagement is important for us to understand their concerns. This will also highlight our social citizenship and instil public trust.

KEY CONCERNS:

- Safety of plant operations
- Quality of air and water emissions
- Jobs and other income-generating opportunities

RESPONSE:

- Adopt stringent HSE best practices at PCG manufacturing plants
- Regularly monitor air and water quality surrounding operations
- Local community development and employment
- Invest in social impact community programmes through collaboration with local communities, NGOs nationwide and international

VALUE CREATED FOR STAKEHOLDER:

- Provide assurance to the local communities on the HSE aspects of our operations, which ensure that the surrounding environment and ecosystem are safe and free of industrial contamination, through regular interaction with local communities. This provides the local communities with a broader understanding of our operations and impacts
- Generated employment opportunities for surrounding communities

MEDIA



Our media partners help share essential and transparent information with our other stakeholders, such as the public, investors, regulators and others, protecting our business from misinformation and unfair perceptions.

Media Mileage:

RM18.6 million

ENGAGEMENT PLATFORM AND FREQUENCY:

- ■ Press releases
- Media engagements
- Interviews

WHY WE ENGAGE:

The media is an integral communication link between our business and our stakeholders. It is a key player when it comes to distributing significant information about our business and brand reputation.

KEY CONCERNS:

- Company reputation
- Business performance
- Environmental management and sustainability efforts
- New innovation and technology
- Development and progress of key projects

RESPONSE:

- Foster open and transparent communication with the media
- Provide a speedy response to media enquiries on business developments
- Organise rapport-building activities to enhance relationships with the media

VALUE CREATED FOR STAKEHOLDER:

- Garnered readership for key media by strategically sharing PCG's news on media platforms
- Provided accurate and latest updates to the media on key company news and information for public consumption
- Maintained good relationships with media through engagements or festive celebrations