

CORPORATE GOVERNANCE REPORT

STOCK CODE : 6033
COMPANY NAME : PETRONAS GAS BERHAD
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of PETRONAS Gas Berhad ("PGB" or the "Company") is committed to high standards of corporate governance and strives to ensure that it is practiced throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and raise the performance of the Group.</p> <p>The duties, powers and functions of the Board are governed by the Constitution of the Company, the Companies Act 2016 (CA 2016), Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Malaysia) and other regulatory guidelines and requirements that are in force.</p> <p>In discharging its duties and roles effectively, the Board is also guided by the Board Charter, which sets out the principles and guidelines that are to be applied by the Board, whilst the Board committees are guided by its respective Terms of Reference (TOR). The Board Charter and the TOR for each Board Committee are available on the Company's corporate website at www.petronas.com/pgb.</p> <p>The Board is entrusted with the responsibility to promote the success of the Group by directing and supervising the Group's affairs. To discharge the Board's stewardship responsibilities, the Board has assumed the following principal roles and responsibilities:-</p> <ul style="list-style-type: none">• To review, approve and monitor the strategic business plans, goals and key policies proposed by the Management to ensure sustainability and optimisation of long-term returns;• To ensure that appropriate policies are in place, adopted effectively and are regularly reviewed;

- To review and approve financial statements;
- To review and manage principal risks and adequacy of the Company's internal control systems including systems for compliance with applicable laws, regulations, rules and guidelines;
- To ensure that there is an appropriate succession plan for members of the Board and the Senior Management in ensuring the appointment of the right leaders; and
- To be accountable to its shareholders and stakeholders whom may be affected by the Company's decision such as employees, suppliers, customers, the local community and the state/country where the Company is operating.

The Board is collectively responsible in promoting the success of the Group in building an enduring and profitable business admired by customers and stakeholders whilst achieving strong returns for the valuable shareholders.

The Company has adopted the PETRONAS Code of Conduct and Business Ethics (CoBE) that seeks to ensure that the Company's and/or Group's Directors, employees and third parties which perform works or services for the Company and/or Group will act ethically and remain above board at all times, and that their individual behaviour is in line with PETRONAS' Shared Values i.e., Loyalty, Professionalism, Integrity and Cohesiveness. CoBE also includes appropriate communication and feedback channels which facilitate whistleblowing.

The Board acknowledges the importance of the following:-

- maintaining a sound system of internal control and a robust risk management practice for good corporate governance with the objective of safeguarding the shareholder's investment and the Group's assets. For this purpose, the Board has adopted a Risk Governance Framework and Risk Management Policy;
- the need to safeguard and minimise the impact to the environment in the course of achieving the Company's objectives. The Board's agenda reflects the commitment to economic support for longer term sustainability with a focus on the positive impact on the environment, community and society; and
- the need for effective Investor Relations and Communications with shareholders and to provide them with all relevant information affecting the Company, which can be accessed at the Company's corporate website at www.petronas.com/pgb.

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	: Applied
Explanation on application of the practice	<p>The roles and responsibilities of the Chairman of the Board have been clearly specified in the Company Board Charter, which is also available on the Company's corporate website at www.petronas.com/pgb.</p> <p>The Chairman of the Board is a Non-Independent Non-Executive Director who is primarily responsible for the orderly conduct and function of the Board and ensures its effectiveness on all aspects of its roles.</p> <p>The Chairman of the Board shall also act as Chairman at general meetings.</p> <p>The role of the Chairman is summarised as follows:</p> <ul style="list-style-type: none">• Leading the Board in setting the values and ethical standards of PETRONAS Gas Berhad (PGB).• Chairing the Board meetings and stimulating debates on issues and encouraging positive contributions from each board member.• Consulting with the Company Secretary in setting the agenda for board meetings and ensuring that all relevant issues are on the meetings' agendas.• Maintaining a relationship of trust with and between the Managing Director/Chief Executive Officer (MD/CEO) and Non-Executive Directors.• Ensuring the provision of accurate, timely and clear information to Directors.• Ensuring effective communication with shareholders and relevant stakeholders.• Conducting performance assessment of the board members, its Committees and individual Directors, including assessment of the independence of Independent Directors.• Facilitating effective contribution of Non-Executive Directors and ensuring constructive discussions at Board meetings.• Ensuring that all Directors are properly briefed on issues arising at Board meetings and there is sufficient time allowed for discussion on complex or contentious issues and where appropriate, arranging for informal meetings beforehand to enable thorough preparations.• Allowing every Board resolution to be voted on and

	<p>ensuring the will of the majority prevails.</p> <ul style="list-style-type: none"> • Casting votes in accordance with the prescribed Constitution of PGB. • Ensuring that all Board members, upon taking up their office, are fully briefed on the terms of their appointment, time commitment, duties and responsibilities, and the business of PGB. • Acting as liaison between the Board and Management, and between the Board and the MD/CEO.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The distinct and separate roles and responsibilities of the Chairman and Managing Director/Chief Executive Officer (MD/CEO) are provided in the Board Charter, which is available on the Company's corporate website at www.petronas.com/pgb.</p> <p>The Board practices a clear demarcation of duties and responsibilities between the Chairman and MD/CEO to ensure a balance of power and authority in the Board. The positions of Chairman and MD/CEO are held by two different individuals. The Chairman of the Company, Adnan Zainol Abidin is a Non-Independent Non-Executive Director whilst the CEO of the Company who is also the MD is Abdul Aziz Othman.</p> <p>The Chairman is primarily responsible for the stewardship and smooth functioning of the Board, whilst the MD/CEO is responsible for the overall operations of the business, organisational effectiveness and the implementation of the Group's strategies and policies. Given the Company's synergetic business operational integration with Petroliam Nasional Berhad (PETRONAS), it is in the best interest of the Company that the Chairman is a Non-Independent Non-Executive Director.</p> <p>The MD/CEO also manages the respective responsibilities of the divisions and departments in the Company, and he is assisted in the management of the business by the Senior Management. The Senior Management ensures that effective systems, controls and resources are in place to execute business strategies and decisions taken by the MD/CEO and/or the Board.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<p><i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i></p>	
<p>Application :</p>	<p>Applied</p>
<p>Explanation on application of the practice :</p>	<p>The Chairman of the Board, Adnan Zainol Abidin, who is a Non-Independent Non-Executive Director, is neither a member of any of the Board Committees nor participate in any of the Board Committees' meetings by way of invitation.</p> <p>The Chairman has not been a member Board Audit Committee and Nomination and Remuneration Committee since his appointment to Board on 2 July 2020.</p> <p>This practice has also been embedded explicitly in the Board Charter and Terms of Reference of the respective Board Committees which are available on the PETRONAS Gas Berhad's corporate website at www.petronas.com/pgb.</p> <p>The profile of Adnan Zainol Abidin is available on page 6 of the Governance and Financial Report 2023 and page 106 of the Integrated Report 2023.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretaries of PETRONAS Gas Berhad are qualified Company Secretaries under Section 235 of the Companies Act 2016 (CA 2016). During the year under review, Yeap Kok Leong resigned from his position as Company Secretary effective 22 May 2023 and was replaced by Cik Azizahwati Ishak.</p> <p>The Company Secretaries of the Company, Mek Yam @ Mariam Hassan and Cik Azizahwati Ishak, are both qualified and competent to act as Company Secretaries pursuant to Section 235 of the CA 2016 and are Fellow of the Malaysian Institute of Chartered Secretaries and Administrators.</p> <p>The Company Secretaries play an advisory role to the Board, particularly with regard to the Constitution of the Company, Board policies and procedures and the Company's compliance with regulatory requirements, codes, guidance and legislation.</p> <p>The Company Secretaries ensure that the discussions and deliberations at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant Management for appropriate actions. The Company Secretaries update the Board on the follow-up of its decisions and recommendations by the Management.</p> <p>The Company Secretaries constantly keep themselves abreast with the regulatory changes and developments in corporate governance through continuous training. The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging their functions in the year under review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	: Applied
Explanation on application of the practice	<p>The Board meets at least quarterly with additional meetings convened as and when necessary. The Board, Board Committees and General meetings for the year under review were scheduled in advance to facilitate the Directors in planning ahead and incorporating the said meetings into their respective schedules.</p> <p>The Notice of the Board and Board Committees meetings are sent to the Directors via email at least seven days prior to the respective meeting. The agenda and Board papers encompassing comprehensive qualitative and quantitative information which include objectives, background, critical issues, implications, risks, strategic fit, recommendations and other pertinent information are circulated to the Directors to enable an informed decision making by the Board.</p> <p>The Agenda and Board papers are circulated to all Directors not less than five days prior to each Board meeting. This enables the Directors to have sufficient time to peruse the Board papers and seek clarifications or further details from the Management or the Company Secretary before each meeting. Any Director may request matters to be included in the agenda. Urgent papers may be presented and tabled at meetings under the item "Any Other Business", subject to the approval of both the Chairman and Managing Director/Chief Executive Officer. For every meeting, the Chairman sets the meeting agenda, and ensure adequate time is allocated for discussion of each matter tabled to the Board for deliberation.</p> <p>Presentations and briefings by the Management and relevant external consultants, where applicable, are also held at Board meetings to advise the Board. In this regard, relevant information is furnished, and clarifications are given to assist the Board in making a decision.</p> <p>Prior to a meeting of the Board and Board Committee, a syndication session, if required, will be organised for papers that require Board or Board Committees' insight especially on critical Board or Board Committee papers.</p>

	<p>The Directors can access the Board and Board Committee papers online through a secured collaborative software which allows the Directors to securely access, to read and review Board documents and collaborate with other Directors and the Company Secretary electronically. This software eases the process of distribution of meeting papers and minimises leakage of sensitive information. The online accessibility facilitates the Directors to read and review the documents or communicate with other Board members at any time.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes of meetings, including dissenting views and Directors' abstention from deliberation and decision on related matters. Minutes of the meetings are tabled for confirmation at the next meeting whilst the minutes of the Board Committees are presented to the Board for notation. The signed minutes of each meeting are properly kept by the Company Secretary.</p> <p>The Company Secretary will communicate with the relevant Management on the Board's decisions/recommendations via circulation of draft minutes of meetings for appropriate actions to be taken. The Company Secretary will also follow up with the Management on status of actions taken with reference to the previous minutes of meetings for updating the Board. Action items would stay as matters arising in the minutes of meetings until resolved.</p>	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company’s website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has a Board Charter and Terms of Reference (TOR) of its Board Committees, which are reviewed and updated from time to time to reflect relevant changes to the policies, procedures and processes as well as amendments to rules and regulations to ensure the documents remain relevant and consistent with the applicable rules and regulations and recommended best practice. The Board Charter and the Board Committees’ TOR clearly identify:-</p> <ul style="list-style-type: none"> • the respective roles and responsibilities of the board, board committees, individual directors and management; and • issues and decisions reserved for the board. <p>The Board Charter and the Committees’ TOR are accessible from the Company’s corporate website at www.petronas.com/pgb.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The PETRONAS Gas Berhad Group adopts and practices Petroliam Nasional Berhad (PETRONAS) Code of Conduct and Business Ethics (CoBE). The CoBE, which is accessible to the public for reference on the Company's corporate website at www.petronas.com/pgb, places significant importance in upholding the principle of discipline, good conduct, professionalism, loyalty, integrity and cohesiveness that are critical to the success and wellbeing of the Group.</p> <p>The CoBE detailed out policy statements on the standards of behaviour and ethical conduct expected of each individual to whom the CoBE applies. The Group also expects that contractors, sub-contractors, consultants, agents and representatives and others performing work or services for or on behalf of the Group to comply with the relevant parts of the CoBE when performing such work or services. The CoBE expressly prohibits improper solicitation, bribery, insider trading, money laundering and other corrupt activity not only by employees and directors but also by third parties performing work or services for or on behalf of companies in the PETRONAS Group.</p> <p>In compliance with the CoBE, the Company adopts the PETRONAS Anti-Bribery and Corruption (ABC) Manual which governs the prevention of corruption and unethical practices within the Group. The ABC Manual sets forth the policy statement and guidelines on how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>PETRONAS Gas Berhad Group has adopted the Petroleum Nasional Berhad (PETRONAS) Whistleblowing Policy (WBP). The WBP applies to every employee, director and officer of PETRONAS. Joint venture companies in which PETRONAS is not a controlling stakeholder and associate companies of PETRONAS are encouraged to adopt the WBP whilst contractors, agents, outsourced workers and business associates are required to always act consistently with the applicable parts of the WBP when dealing with, acting on behalf of or in the name of PETRONAS.</p> <p>The WBP also applies to members of the public, where relevant. It provides an avenue for all employees of PETRONAS and members of the public to disclose any improper conduct in accordance with the procedures as provided under the Policy and provide protection for employees and members of the public who report such allegation. Any employee or member of the public who wishes to report improper conduct may remain anonymous.</p> <p>The WBP is accessible to the public for reference on the Company's corporate website at www.petronas.com/pgb.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>In safeguarding stakeholder value-creation, the Board ensures that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental, social and governance (ESG) considerations thereby strengthening the integration of sustainability in the Company's operations. Through sustainable practices, it would strengthen resilience of the Company and would be able to create durable and sustainable value, as well as stakeholders' confidence.</p> <p>PETRONAS Gas Berhad (PGB)'s approach to sustainability is in line with Petroliaam Nasional Berhad (PETRONAS) Group and we continuously approach the agenda centred on progressive value creation while also giving back to the people who contribute to our success. The business activities are guided by the Statement of Purpose "A Progressive Energy and Solutions Partner Enriching Lives for a Sustainable Future". Four core thrusts have been developed to strengthen the Company's approach to sustainability, which represented by our four sustainability lenses i.e. Sustainable Value Creation, Safeguard Environment, Positive Social Impact and Responsible Governance.</p> <p>The Company strives to continue to deliver energy solution in a responsible manner to ensure business sustainability and committed to Net Zero CO2e by 2050 and efficient management of Pollution, Waste and Water.</p> <p>The Board's Sustainability and Risk Committee is entrusted in determining PGB's sustainability strategy and governance structure in alignment with PGB's business strategy and matters related to the four lenses.</p>

	As part of our sustainability journey, PGB Sustainability Working Committee was established to provide stewardship and guidance on relevant key sustainability matters. The Working Committee is also trusted to guide the Company in meeting the economic, environmental, social and governance.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	: Applied
Explanation on application of the practice	<p>The Sustainability Team has regularly engaged with internal and external stakeholders on the Company's Sustainability strategies, roadmap, targets and activities.</p> <p>The Company issues a Sustainability Report annually to all its Stakeholders. In producing the Sustainability Report, we are guided by the local and international statutory and reporting frameworks, particularly Bursa Malaysia Securities Berhad (Bursa Malaysia)'s Listing Requirement and Sustainability Guidelines relating to Sustainability Statements as well as the FTSE4Good indicators and GRI Standards.</p> <p>Through the Sustainability Report, the external stakeholders were engaged on the material matters which have the most impact on the Company's ability to create long-term value.</p> <p>The Sustainability Report is also available in the Company's website www.petronas.com/pgb, the Company's Sustainability strategies, activities as well as Sustainability Performance information are also published in the Company's website to keep the internal and external stakeholders informed on the Company's commitments towards Company's Sustainability Strategy moving forward.</p> <p>PETRONAS Gas Berhad (PGB) is a member of Malaysia Gas Association (MGA), which is also a member of International Gas Union (IGU). The Company also actively advocating for a cleaner Gas Masterplan for Malaysia at all platforms. A member of Cogen Taskforce under MGA to increase energy efficiency.</p> <p>The employees of PGB were engaged with the Company's Sustainability agenda through the following ways:</p> <ol style="list-style-type: none">a. PGB Townhall.b. Union engagement and activities.c. Engagement with the Leadership Team.d. Periodic employee engagement with PGB Management.e. Intranet and Internal newsletters.f. Company updates sharing sessions.

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>In ensuring the Company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success, the Nomination and Remuneration Committee (NRC) had integrated Sustainability considerations into the nominating processes, imposing such as training criteria and Sustainability experience in order to recruit directors that will bring Sustainability expertise to the board. The Company's Board Selection Criteria reflects the need of Sustainability skill.</p> <p>During the year under review, the Directors have attended and participated in programmes, conferences and forum that covered the areas of sustainability.</p> <p>The Board Sustainability and Risk Committee (BSRC) is assigned to assist the Board in determining the Company's sustainability strategy aligned with the Company's business strategy. The BSRC had been updated on the initiatives under Sustainability Blueprint and Framework development progress every quarter as to ensure the Company is committed to its initiative for sustainability.</p> <p>Furthermore, PGB Sustainability Working Committee (SWC) is entrusted to provide stewardship and guidance on sustainability related matters on economic, environmental, social and governance.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board and the Senior Management have performed their respective roles in addressing material sustainability risks and opportunities.</p> <p>The performance evaluation of the Board in addressing the Company’s material sustainability was evaluated through the annual Board Effectiveness Evaluation.</p> <p>Whereas for the Senior Management team, it is part of their yearly Key Performance Indicators.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Adopted
Explanation on adoption of the practice	:	The Head, HSE and Sustainability has been appointed and be accountable to manage sustainability strategically, including the integration of sustainability considerations in the operations of the Company.

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director’s performance and contribution to the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination and Remuneration Committee (NRC) reviews the Board Succession Plan i.e., the composition, tenure, skills and experience matrix of the Board, annually, in line with the Company’s Board Succession Planning Framework.</p> <p>The NRC assessed the performance of the Directors standing for re-election at the Company 41st Annual General Meeting via the Board Effectiveness Evaluation 2023 (BEE 2023). Amongst other, the BEE 2023 assessed the Directors’ competencies, commitment, contribution, performance, independence and their ability to act in the best interest of the Company as a whole.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>As of 31 December 2023, the Board of PETRONAS Gas Berhad (PGB) has four (4) Independent Non-Executive Directors (INEDs), which represents 50% of the total number of Directors. This is due to the resignation of Dato' Abdul Razak Abdul Majid, the Senior INED on 27 March 2023. PGB has complied with the requirement in Main Market Listing Requirements of at least 1/3 of Board composition comprises INEDs.</p> <p>The 4 INEDs are as follows:-</p> <ul style="list-style-type: none">i. Farina Farikhullah Khanii. Datuk Yeow Kian Chaiiii. Datuk Mark Victor Rozarioiv. Sujit Singh Parhar s/o Sukhdev Singh <p>The profile of the 4 INEDs are available on pages 8 to 11 of the Governance and Financial Report 2023 and pages 108 to 111 of the Integrated Report 2023.</p> <p>The INEDs do not engage in any business dealings or day-to-day management of the Company. As such, they are capable of exercising independent judgment and acting in the best interests of the Company and its shareholders. All INEDs are highly qualified professionals in their respective fields and possess vast industry experience. Their expertise and experience enable them to provide effective oversight, strategic guidance and constructive challenge to the Management's proposals.</p>
		<p>Alternative Practice:</p> <p>To ensure check and balance as well as independent judgement and views during Board deliberations, the Board employs the following measures:</p> <ol style="list-style-type: none">1. The appointment of a Senior Independent Director (SID) as a sounding board to the Chairman and to serve as an intermediary for the INEDs.

	<ol style="list-style-type: none"> 2. All Board Committees are comprise solely of INEDs 3. All Board Committees are chaired by the INED. 4. The Board Audit Committee, which comprises solely of INEDs, reviews all Related Party Transactions and recommends the same for the Board's approval. During Board Meeting, Non-Independent Non-Executive Directors with an interest in the transaction shall abstain from deliberation and voting for all Related Party Transactions. This protocol is essential for maintaining transparency and safeguarding the interests of minority shareholders. 	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	<p>:</p>	<p>The Company is currently evaluating its options to meet the intended outcome. While an alternative plan has not yet been established, the Company remains committed to ensuring that its Board composition is appropriate to achieve its goals and objectives.</p>
<p>Timeframe</p>	<p>:</p> <p>Others</p>	<p>Please specify number of years.</p>

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Not applicable - Step Up 5.4 adopted	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
Application	: Adopted
Explanation on adoption of the practice	: In line with the exemplary practice as recommended by the Malaysian Code on Corporate Governance 2021, the Company has adopted a policy to limit the tenure of the Independent Non-Executive Directors (INEDs) at nine (9) years with no avenue for further extension either as an INED or Non-Independent Non-Executive Director. The appointment of an INED is for a 3-year term and renewable for another 2 terms subject to review and endorsement by the Nomination and Remuneration Committee. Currently, none of the INEDs have served the Board for more than nine (9) years.

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	:	Applied
Explanation on application of the practice	:	<p><u>Board</u></p> <p>The Company practices a formal and transparent procedure for the appointment of new directors. The nomination of Non-Independent Non-Executive Directors (NINEDs) to the Board is made by Petroliaam Nasional Berhad (PETRONAS) being the majority shareholder of the Company. The nomination of Independent Executive Directors (INEDs) to the Board is made through the engagement of a professional recruitment firm.</p> <p>In its selection of suitable candidates, the Nomination and Remuneration Committee (NRC) refers to the Board Selection Criteria. All nominees to the Board are first considered by the NRC, taking into consideration the mix of skills, competencies, experience, integrity, personal attributes and time commitment required to effectively fulfil his or her role as a director. Diversity in terms of age, gender and ethnicity is also considered during the selection process.</p> <p>None of the Board members of the Company is person linked directly with the executive powers such as heads of state, heads of government and ministers and none of the Board members is an active politician. An active politician as defined in the Malaysian Code on Corporate Governance 2021 is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council, or division level in a political party.</p> <p><u>Senior Management</u></p> <p>The Senior Management are employees of PETRONAS, who were seconded to the Company, based on their relevant skills and experiences.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied	
Explanation on application of the practice	:	<p>Pursuant to the Nomination and Remuneration Committee (NRC) Terms of Reference, NRC has the authority to obtain the services of professional recruitment firms to source candidates for directorship or seek independent advice whenever necessary.</p> <p>PGB practices a formal and transparent process on the appointment of new directors. The nomination of Independent Non-Executive Director(s) to the Board is made through the engagement of professional recruiting firm to find the most suitable candidates to fill the vacant positions or via recommendations by the Board members.</p> <p>In the selection of suitable candidates, the NRC adheres to guidelines outlined in the Board Appointment Process, based on the Board Succession Planning Framework and Directors' Fit and Proper Policy.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>Through the Board Effectiveness Evaluation (BEE) 2023, the Nomination and Remuneration Committee (NRC) had assessed the Directors' eligibility for re-election and appointment by considering their competencies, commitment, contribution, performance, independence and their ability to act in the best interest of the Company as a whole. The NRC assessed all the retiring Directors have met the fit and proper criteria as stipulated in the Director's Fit and Proper Policy.</p> <p>The Board at its meeting held on 27 February 2024, endorsed recommendation of the NRC for the following Directors to be considered for re-election pursuant to Article 107 of PETRONAS Gas Berhad (PGB)'s Constitution at its forthcoming 41st Annual General Meeting:</p> <p><u>Re-election</u></p> <ol style="list-style-type: none">1) Datuk Mark Victor Rozario2) Sujit Singh Parhar s/o Sukhdev Singh3) Hasliza Othman <p>They candidates also declared as follows:</p> <ol style="list-style-type: none">1) No family relationship with any Director/Major Shareholder of PGB.2) No conflict of interest or potential conflict of interest, including interest in any competing business with PGB and its subsidiaries.3) No conviction of offences within the past 5 years other than traffic offences, if any.4) Does not hold more than five directorships in listed issuers. <p>In addition, the current Independent Non-Executive Directors (INEDs) satisfy the following criteria:</p> <ol style="list-style-type: none">a) independent from Management and free from any business or other relationship which could interfere with independent

	<p>judgement or the ability to act in the best interests of the Company.</p> <p>b) not involved in the day-to-day operations of the Company other than when collective Board approval is required. This mitigates the risk of undue influence from third parties and allows INEDs to exercise fair judgement.</p> <p>c) declare their interest or any possible conflict of interest in any matter tabled prior to the commencement of Board meetings. Directors are able to ascertain their involvement in any proposal as the papers are disseminated to them at least five business days before each meeting. In a situation where there is conflict of interest, Directors are required to recuse themselves and abstain from deliberation to allow unbiased and free discussion and decision making. This also holds true for and applies to Non-Independent Non-Executives Directors.</p> <p>The profiles of Directors are published in the Integrated Report 2023, Governance and Financial Report 2023 and on PGB's website www.petronas.com/pgb. The information includes their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in PGB, if any.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Nomination and Remuneration Committee of PETRONAS Gas Berhad is chaired by Datuk Mark Victor Rozario, an Independent Director.</p> <p>The profile of Dato' Mark Victor Rozario is available on page 10 of the Governance and Financial Report 2023 and page 110 of the Integrated Report 2023.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>During the reporting year, the Board comprises three (3) women, equivalent to 38% of the total number of Directors. They are:</p> <ol style="list-style-type: none"> 1) Farina Farikhullah Khan 2) Marina Md Taib 3) Hasliza Othman <p>The Board recognises that diversity is one of the key drivers to enhance its effectiveness to encourage a broader scope for debate within itself. Diversity Policy is formulated objectively to ensure the right mix of member in terms of age, ethnicity and gender. In addition, having a diverse Board is also important to ensure the Company remains relevant and sustainable in the rapidly transforming and evolving business environment.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises that diversity is a key driver to enhance its effectiveness by allowing for a broader scope for debate within itself. Diversity Policy is formulated objectively to ensure a mix of member profiles in terms of age, ethnicity, and gender. A diverse Board is necessary to provide unique perspective, experience and expertise required to achieve effective stewardship whereby creating value. Diversity is also important to ensure the Company remains relevant and sustainable in the rapidly transforming and evolving business environment.</p> <p>The Board Diversity Policy is available on the Company's corporate website at www.petronas.com/pgb.</p> <p>In respect of Senior Management, employees of the Company are seconded from Petroliam Nasional Berhad (PETRONAS). Hence, the diversity of Senior Management is covered by the policy at Group level i.e. PETRONAS Diversity & Inclusion Statement which covers four key areas i.e., gender, age, nationality, and culture/experiences. Under gender, the Company aims to provide opportunities for women in senior leadership positions.</p> <p>During the reporting year, there are three women (30%) out of 10 members in the Senior Management Team of PETRONAS Gas Berhad namely Rosni Hamid, Jamadil Khairiah Mohamad and Florence Oh Yeok Kim.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The Company conducts its Board Effectiveness Evaluation (BEE) exercise on an annual basis. PETRONAS Gas Berhad (PGB) appoints an external independent consultant to conduct the BEE once in every three years. The BEE comprises a Board Evaluation, a Board Committee Evaluation and Directors' Self and Peer Assessment. The assessment methodology and its outcome were also reported in the Annual Report.</p> <p>For BEE 2023, the Board, through the Nomination and Remuneration Committee (NRC) reviewed the outcome of the 2023 BEE and noted the findings and areas that require further improvements. The results of the assessment also revealed that PGB is led by a competent Board, helmed by a highly capable and experience Chairman. The Board and Board Committees are also committed to the highest standards of good governance and have strong support from the Management.</p> <p>The results of the BEE 2023 were presented to the NRC and Board meetings held on 13 February 2024 and 27 February 2024 respectively. The Board noted the findings and areas that necessitated further improvements.</p>
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p><u>Directors' Remuneration Framework</u></p> <p>The Director's Remuneration Framework is accessible on the Company's corporate website at www.petronas.com/pgb.</p> <p><u>Senior Management Remuneration Framework</u></p> <p>Employees of the Company are seconded from Petroliaam Nasional Berhad (PETRONAS). Their remuneration is aligned to the PETRONAS' Human Resources policies and strategies. The Board ensures that only appropriate personnel with the relevant skills and experiences are appointed to Senior Management positions of the Company.</p> <p>Their remuneration is based on the prevailing PETRONAS' Remuneration Philosophy and Guiding Principles, which can be found on the Company's corporate website at www.petronas.com/pgb.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Nomination and Remuneration Committee (NRC) of the Company review and recommend the Company's framework, relating to the policies and procedures of the Company to attract and retain Directors.</p> <p>The NRC reviews and recommend the remuneration of Non-Executive Directors to ensure that it is aligned to the market and reflective of experience and expertise that commensurate with the duties and responsibilities.</p> <p>The NRC also review the remuneration framework and packages of the Managing Director/Chief Executive Officer and key Senior Management personnel of the Company. The activities of the NRC during the reporting period are reported in the NRC Report included in the Governance and Financial Report 2023.</p> <p>The authority and duties as well as functions of the NRC are clearly defined in its Terms of Reference (TOR). The TOR of the NRC is accessible on the Company's corporate website at www.petronas.com/pgb.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a Directors' Remuneration Framework which sets out retainer fees, special fees, meeting allowances and benefits in-kind.</p> <p>The remuneration breakdown of individual directors which includes the fees, salary, bonus, benefits in-kind and other emoluments for the financial year ended 31 December 2023 is enumerated in Table 1 attached hereto.</p> <p>The Directors' fees and meeting allowances of the following Non-Independent Non-Executive Directors who are employees of Petroliam Nasional Berhad (PETRONAS) (as applicable) are paid directly to PETRONAS:-</p> <ol style="list-style-type: none">1) Adnan Zainol Abidin2) Marina Md Taib3) Hasliza Othman

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Adnan Zainol Abidin	Non-Executive Non-Independent Director	288,000	28,000	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	316,000
2	Abdul Aziz Othman	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	1,752,624
	Dato' Abdul Razak Abdul Majid	Independent Director	34,451.60	31,500	Input info here	Input info here	1,435.50	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	67,387.10
3	Farina Farikhullah Khan	Independent Director	144,000	91,000	Input info here	Input info here	6,000	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	241,000
4	Datuk Yeow Kian Chai	Independent Director	144,000	70,000	Input info here	Input info here	6,000	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	220,000
5	Datuk Mark Victor Rozario	Independent Director	144,000	84,000	Input info here	Input info here	6,000	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	234,000
6	Sujit Singh Parhar s/o Sukhdev Singh	Independent Director	144,000	70,000	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	214,000
7	Marina Md Taib	Non-Executive Non-Independent Director	144,000	31,500	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	175,500
8	Hasliza Othman	Non-Executive Non-Independent Director	144,000	24,500	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	168,500

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The components of the remuneration of Senior Management, which include their salary, bonus, benefits in-kind and other emoluments are subject to the Personal Data Protection Act (PDPA) 2010. Petroliam Nasional Berhad (PETRONAS) Group including its listed companies opt not to disclose the personal data of their Senior Management personnel to the public at large.</p> <p>Alternative Practice:</p> <p>As at 31 December 2023, the Company has identified its Top 5 Senior Management as follows, however, their remuneration will not be disclosed:</p> <ol style="list-style-type: none">i. Abdul Aziz Othman (Managing Director/Chief Executive Officer)ii. Shahrul Azham Sukaiman (Chief Financial Officer)iii. Mohd Nazir Mohd Nor (Head of Gas Processing and Utilities)iv. Burhan Abdullah (Head of Gas Transmission and Regasification)v. Hisham Maulot (Head of Business Development and Commercial) <p>The Senior Management of the Company are seconded from PETRONAS where their remuneration package has been benchmarked with the industry and is aligned with the market. The remuneration package remains competitive despite relatively positioned at the lower quartile of all the benchmarked companies. In addition, their annual increments and bonus payouts are based on performance.</p> <p>Abdul Aziz Othman, the Managing Director/Chief Executive Officer (MD/CEO), an Executive Director of the Company is not entitled to receive directors' fee or meeting allowances. During the year, he was remunerated an amount of RM1,752,624 as MD/CEO of PETRONAS Gas Berhad.</p>

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:	The Company does not have an alternative plan to meet the intended outcome.	
Timeframe	:	Others	Not available

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Audit Committee (BAC) comprises three (3) members, all are Independent Non-Executive Directors (INEDs).</p> <p>The Chairman of the BAC is Farina Farikhullah Khan, a Senior Independent Non-Executive Director and is not the Chairman of the Board. She is a qualified accountant, a Fellow of the Institute of Chartered Accountants in Australia and New Zealand.</p> <p>The Chairman of the Board of PETRONAS Gas Berhad is Adnan Zainol Abidin since 2 July 2020 and he is not a BAC member, consistent with Practice 1.4 of the Malaysian Code on Corporate Governance 2021 and the Company's internal governing documents, i.e. Board Charter and Board Committees' Terms of Reference.</p> <p>The profile of Farina Farikhullah Khan is available on page 8 of the Governance and Financial Report 2023 and page 108 of the Integrated Report 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board Audit Committee (BAC) has a policy that requires a former partner of the external audit firm to observe a cooling-off period of three (3) years before being appointed as a member of the BAC.</p> <p>The policy is stated in the BAC Terms of Reference which is available on the Company's corporate website at www.petronas.com/pgb.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied	
Explanation on application of the practice	:	<p>Under its Terms of Reference, the Board Audit Committee (BAC) is responsible for assessing the capabilities and independence of the external auditor and to make subsequent recommendations to the Board on the appointment, re-appointment or termination of the external auditor.</p> <p>During the year under review, the BAC has adopted Petroliam Nasional Berhad (PETRONAS) Framework on External Auditors, which has provided a more structured annual assessment on the performance, sustainability and independence of the external auditors. In addition, the BAC also met with the external auditors once, in the absence of the Management. The External Auditors have also confirmed to the Board on their independence in writing by providing both audit and non-audit services up to the date of this report.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted												
Explanation on adoption of the practice	:	<p>The Board acknowledged the importance of the independence and impartiality of the Board Audit Committee (BAC) in carrying out its oversight functions related to the company's internal controls and financial reporting. As a result, Marina Md Taib, a Non-Independent Non-Executive Director, resigned from her position as a member of the BAC on 1 March 2023. Following her resignation, the BAC consists solely of independent non-executive directors (INEDs).</p> <p>Subsequently, Dato' Abdul Razak Abdul Majid, an INED, resigned as a member of BAC effective 27 March 2023 and was replaced by Sujit Singh Parhar s/o Sukhdev Singh, who is also an INED.</p> <p>As at 31 December 2023, the BAC consisted of three (3) members, all of whom are INEDs. The composition of BAC has remained unchanged since. Members of BAC are as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Directors/ Designation</th><th>Membership</th></tr></thead><tbody><tr><td>1</td><td>Farina Farikhullah Khan Senior Independent Non-Executive Director</td><td>Chairman</td></tr><tr><td>2</td><td>Datuk Mark Victor Rozario Independent Non-Executive Director</td><td>Member</td></tr><tr><td>3</td><td>Sujit Singh Parhar s/o Sukhdev Singh</td><td>Member</td></tr></tbody></table> <p>The profile of the Chairman and Members of BAC are available on pages 8 to 11 of the Governance and Financial Report 2023 and pages 108 to 111 of the Integrated Report 2023.</p>	No.	Directors/ Designation	Membership	1	Farina Farikhullah Khan Senior Independent Non-Executive Director	Chairman	2	Datuk Mark Victor Rozario Independent Non-Executive Director	Member	3	Sujit Singh Parhar s/o Sukhdev Singh	Member
No.	Directors/ Designation	Membership												
1	Farina Farikhullah Khan Senior Independent Non-Executive Director	Chairman												
2	Datuk Mark Victor Rozario Independent Non-Executive Director	Member												
3	Sujit Singh Parhar s/o Sukhdev Singh	Member												

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board Audit Committee (BAC) is made up by members possessing appropriate mix of skills, knowledge and experience. They are all financially literate and have sound knowledge and understanding of financial reporting and management requirements. In addition, they also possess sufficient understanding of the Company's business.</p> <p>The BAC members acknowledged the need for continuous education trainings. As for the year under review, all BAC members attended training on the developments in accounting and auditing standards, practices and rules.</p> <p>The list of trainings attended by the directors of the Company is available in the Governance and Financial Report 2023 on pages 38 to 40.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has a risk management framework and internal control systems in place to ensure the smooth running of the business with the aim to manage the risks and control of the Company’s business and financial affairs economically, efficiently and effectively to be able to seize profitable business opportunities in a disciplined way while avoiding or mitigating risks that could cause loss, reputational damage or business failure.</p> <p>Further information on risk management framework and internal control are disclosed in the Statement of Risk Management and Internal Control (SORMIC) of Governance and Financial Report 2023 on pages 69 to 86.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied
Explanation on application of the practice	:	The key features of the Company’s risk management and internal control framework, which cover their adequacy and effectiveness are disclosed under the Statement of Risk Management and Internal Control in the Governance and Financial Report 2023 on pages 69 to 86. In essence, PETRONAS Gas Berhad’s Risk Management Framework adheres to the Petroleum Nasional Berhad (PETRONAS) Resiliency Model, which focuses on the three areas namely Enterprise Risk Management, Crisis Management and Business Continuity Management in strengthening the current practices and placing greater emphasis on risk management implementation and business continuity practices.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted															
Explanation on adoption of the practice	:	<p>The Board Risk Committee (BRC) was established on 25 May 2021 and on 27 February 2024, BRC was renamed to Board Sustainability and Risk Committee (BSRC) to better reflect its existing responsibility to oversee the risk management framework, policies and practices; and environmental, social & governance (ESG), compliance and sustainability agenda. The BSRC currently comprises four (4) Independent Non-Executive Directors as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Directors/ Designation</th><th>Membership</th></tr></thead><tbody><tr><td>1</td><td>Datuk Yeow Kian Chai Independent Non-Executive Director</td><td>Chairman</td></tr><tr><td>2</td><td>Farina Farikhullah Khan Senior Independent Non-Executive Director</td><td>Member</td></tr><tr><td>3</td><td>Datuk Mark Victor Rozario Independent Non-Executive Director</td><td>Member</td></tr><tr><td>4</td><td>Sujit Singh Parhar s/o Sukhdev Singh Independent Non-Executive Director</td><td>Member</td></tr></tbody></table> <p>The terms of reference of the BSRC are accessible on the Company's corporate website at www.petronas.com/pgb.</p> <p>The profile of the Chairman and Members of BSRC are available on pages 8 to 11 of the Governance and Financial Report 2023 and pages 108 to 111 of the Integrated Report 2023.</p>	No.	Directors/ Designation	Membership	1	Datuk Yeow Kian Chai Independent Non-Executive Director	Chairman	2	Farina Farikhullah Khan Senior Independent Non-Executive Director	Member	3	Datuk Mark Victor Rozario Independent Non-Executive Director	Member	4	Sujit Singh Parhar s/o Sukhdev Singh Independent Non-Executive Director	Member
No.	Directors/ Designation	Membership															
1	Datuk Yeow Kian Chai Independent Non-Executive Director	Chairman															
2	Farina Farikhullah Khan Senior Independent Non-Executive Director	Member															
3	Datuk Mark Victor Rozario Independent Non-Executive Director	Member															
4	Sujit Singh Parhar s/o Sukhdev Singh Independent Non-Executive Director	Member															

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has an in-house Internal Audit Department (IAD).</p> <p>The IAD undertakes a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes within the Group. The Head, IAD reports directly to Board Audit Committee (BAC).</p> <p>The internal audit functions and its effectiveness are disclosed in the BAC Report and SORMIC in the Governance and Financial Report 2023 on pages 52 to 53 and page 80 respectively.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Head of Internal Audit reports functionally to the Board Audit Committee (BAC) and administratively to the Managing Director/Chief Executive Officer of PETRONAS Gas Berhad (PGB). The Head of Internal Audit would confirm the independent status of the internal audit department annually.</p> <p>During the year under review, the internal audit function was headed by Anas bin Fadzilan, he holds a Bachelor of Commerce (Finance) from University of Melbourne, Australia. He is a Chartered Member of Institute Internal Auditors (CMIIA), Certified Fraud Examiner (CFE) and also a certified Internal Control Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO).</p> <p>He has over 15 years of experience in Petroliam Nasional Berhad (PETRONAS) and held numerous portfolios. He assumed several executive positions within Group Treasury until he was moved to Group Internal Audit as Executive (Internal Audit) in 2013, before being promoted as Manager (Internal Audit), in 2016. In total, he has 5 years of experience in Investment and Treasury business and 10 years of experience in Internal Audit. His performance for the past 5 years has been rated as exceeding requirements, as per PETRONAS' Employee Performance Management and has demonstrated Distinctive PETRONAS Culture Belief (PCB), possess excellent interpersonal skills and vast business networks along the value chain.</p> <p>The Internal Audit function is guided by:</p> <ol style="list-style-type: none">a) PGB Internal Audit Charter (the Charter) as approved by the BAC. The Charter defines PGB Internal Audit Purpose, Authority, Responsibility, and Limitation within the Group.b) International Professional Practices Framework (IPPF).

	<p>c) Control Environment, Risk Assessment, Control Activities, Information & Communication and Monitoring Activities (COSO).</p> <p>d) PGB Internal Audit internal Procedures, Processes and Guidelines (L3 documents).</p> <p>e) Relevant policies and procedures as adopted by the Group.</p> <p>In maintaining independency and objectivity, internal auditors will not be assigned with audit scope that would lead to conflict of interest.</p> <p>The Internal Audit Department is staffed by seventeen (17) individuals from diverse work experiences, competencies and qualification amongst others are Accounting & Finance, Operations & Maintenance, Sales & Marketing, Information Technology & Digital, Supply & Logistics, Strategic Planning, Project Management, Safety and other related enablers functions. PGB Internal Audit was also supported by Technical Professional and Subject Matter experts and resources from PETRONAS Group, specifically on project management and technical related areas. Advisories were also sought from PETRONAS Group Internal Audit Line Experts.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of effective communications with the Company's shareholders and other stakeholders including the general public. Information on the Group's business activities and financial performance is disseminated timely through announcements to Bursa Malaysia, postings on the Company's website, press releases, issuance of the Annual Report and where required, press conferences.</p> <p>The Managing Director/Chief Executive Officer together with the Chief Financial Officer and the Head of Investor Relations conduct regular dialogues with the Company's institutional shareholders and analysts and hold quarterly analyst briefings to promote better understanding of the Group's financial performance and operations. In addition, minutes of the Annual General Meeting together with the summary of questions and answers during the meeting are published on the Company's website at www.petronas.com/pgb.</p> <p>In addition, visits to the Group's facilities are also organised periodically to facilitate better appreciation and insight into the Group's business and operations.</p> <p>The Company actively updates its corporate website www.petronas.com/pgb with the latest information on the corporate and business aspects of the Group. Press releases, announcements to Bursa Malaysia, analyst briefings and quarterly results of the Group are also made available on the website, and this helps to promote accessibility of information to the Company's shareholders and all other market participants. Communication and feedback from investors can also be directed to the email address ir.petronasgas@petronas.com or alternatively, it can be addressed to:</p> <p>Suriyanti Nordin Head of Investor Relations Level 49 & 50, Tower 1 PETRONAS Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur, Malaysia</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Applied	
Explanation on application of the practice	:	The Company has adopted full integrated reporting for 2023 Annual Report based on a globally recognised framework.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The Notice and agenda of the Fully Virtual 40th Annual General Meeting (AGM) together with Forms of Proxy were dispatched to shareholders at least 28 days before the AGM, well in advance of the 21-day requirement under the Companies Act 2016 and the Main Market Listing Requirements (MMLR) of Bursa Malaysia, which gives shareholders sufficient time to prepare themselves to attend, speak (in the form of real time submission of typed texts) and vote remotely (collectively, “participate”) at the AGM using Remote Participation and Voting (RPV) or to appoint proxies to participate on their behalf.</p> <p>Additional time given to the shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives or proxies. More importantly, it enables the shareholders to read the Annual Report, consider the resolutions and make an informed decision in exercising their voting rights at the AGM.</p> <p>The notice is also published in a nationally circulated newspaper as required under the MMLR of Bursa Malaysia and is made available on the Company’s website at www.petronas.com/pgb.</p> <p>The notes to the Notice of the AGM had provided detailed explanations for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights. Whereas the Administrative Guide which furnished useful information regarding the conduct of the AGM together with the explanatory guide on remote participation and voting were circulated to the shareholders together with the Notice of the AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Applied
Explanation on application of the practice	:	<p>All eight (8) Directors with the Company Secretaries and the Leadership Team together with external auditors were present at the 40th Annual General Meeting (AGM) of the Company which was held virtually through live streaming and online remote voting via Remote Participation & Voting (RPV) facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's (Tricor) TIIH Online website at https://tiih.online (TIIH Online).</p> <p>A total number of 2,146 shareholders and proxies attended the 40th AGM through the RPV via TIIH Online. The proceedings of the meeting included the presentation by the Managing Director/Chief Executive Officer on the Group's overall operating and financial performance for 2022, future plans of PETRONAS Gas Berhad and a Question-and-Answer session where shareholders were invited to submit their questions in relation to the agenda of the meeting using the query box. The Board, Management and Auditors in attendance responded to the questions submitted.</p> <p>In efforts to encourage shareholders' participation, the Shareholders were also invited to submit their question prior to the AGM in relation to the agenda via TIIH Online or email to the Company's Investors Relation team. The same was communicated to shareholders via the Administrative Guide.</p> <p>The Chairman shared with the shareholders the Company's responses to the questions submitted in advance by the Minority Shareholders Watch Group (MSWG). 21 out of 45 questions submitted prior to the AGM and 20 out of the 117 live questions posed by the shareholders were also responded during the AGM. The responses to the unanswered questions at the AGM were published at the Company's website at www.petronas.com/pgb within 3 working days after the AGM.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Applied
Explanation on application of the practice	:	<p>At the 40th Annual General Meeting (AGM) of the Company held on 11 May 2023, the meeting was conducted leveraging on technology, holding the AGM virtually through live streaming and online remote voting via Remote Participation and Voting (RPV) facilities which the facilities were provided by Tricor Investor & Issuing House Services Sdn. Bhd. (Tricor) via its TIIH Online website at https://tiih.online. Tricor was appointed as the Company's Poll Administrator.</p> <p>The AGM was conducted in accordance to the Company's constitution, in line with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, Section 327 of the Companies Act 2016 and Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2023, including any amendment that have been made from time to time.</p> <p>The Company had appointed Boardroom Corporate Services Sdn. Bhd (Boardroom) as the Independent Scrutineer to verify the poll results at the Company's 40th AGM.</p> <p>Boardroom upon verification of the poll results, announced the results for each resolution, which included votes in favour and against, upon which the Chairman of the Meeting declared whether the resolutions were carried. The poll results were also announced by the Company via Bursa LINK on the same day for the benefit of all shareholders. Minutes of the 40th AGM were also made available on the Company's website.</p> <p>The virtual AGM was streamed on Tricor's website for shareholders to attend, speak (in the form of real time submission of typed texts) and vote remotely at the 40th AGM. Detailed</p>

	<p>procedures were provided to the shareholders in the Administrative Guide of the AGM sent through email and by ordinary post; and the same were also published in the Company's website. A total number of 2,146 shareholders and proxies logged in through the RPV.</p>	
<p>Explanation for departure</p>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>	:	
<p>Timeframe</p>	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: <p>The 40th Annual General Meeting (AGM) of the Company held on 11 May 2023 was conducted leveraging on technology, holding the AGM virtually through live streaming and online remote voting via Remote Participation and Voting (RPV) facilities. The virtual AGM was streamed on Tricor's website for shareholders to attend, speak (in the form of real time submission of typed texts) and vote remotely.</p> <p>The Company received 45 pre-submitted questions whereby out of 45 questions, 16 questions were on door gifts from the shareholders. The Company had addressed 21 pre-submitted questions at the AGM.</p> <p>The Board had endeavored to answer all live questions posed by the shareholders at the 40th AGM. The Company received 117 live questions from the shareholders and their representatives and had addressed 20 live questions during the Question-and-Answer (Q&A) session. Some of the questions were repetitive or similar to one another and this included the question on door gifts from the shareholders (where the Company received 50 questions on this topic).</p> <p>All pre-submitted and live questions and answers (including questions which were not answered at the AGM) were published in the Company's corporate website at www.petronas.com/pgb under Investor Relations' page within 3 working after the AGM.</p>
Explanation for departure	:

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure :		
Timeframe :		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Applied
Explanation on application of the practice	:	<p>The 40th Annual General Meeting (AGM) of the Company held on 11 May 2023 was conducted leveraging on technology, holding the AGM virtually through live streaming and online remote voting via Remote Participation and Voting (RPV) facilities. The virtual AGM was streamed on Tricor's website for shareholders to attend, speak (in the form of real time submission of typed texts) and vote (collectively, "participate") remotely.</p> <p>The detailed procedures to participate in the meeting remotely were provided to the shareholders in the Administrative Guide of the AGM sent through email and by ordinary post and the same were also published in the Company's website.</p> <p>At the 40th AGM, a total number of 2,146 shareholders and proxies logged in through the RPV to attend the AGM.</p> <p>The Chairman, Managing Director/Chief Executive Officer (MD/CEO), Senior Independent Director, Chief Financial Officer and Company Secretary attended the 40th AGM physically at the Broadcast Venue whereas other Board members, Senior Management and Shareholders attended the 40th AGM via virtually which was streamed on Tricor's website.</p> <p>The Company Secretary read the questions posed by the shareholders and the Chairman and/or MD/CEO answered the questions accordingly. To ensure effective communication, each question was also displayed on the screen as and when the Chairman and the MD/CEO provided their responses to the respective questions accordingly in an orderly manner.</p> <p>The 40th AGM proceeding was conducted smoothly with the choice of RPV facilities.</p>

Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Applied
Explanation on application of the practice	: The minutes of the 40th Annual General Meeting (AGM) of the Company held on 11 May 2023 were circulated to the shareholders within 30 business days after the 40 th AGM of the Company. The minutes of the 40th AGM of the Company are available on the Company's corporate website at www.petronas.com/pgb .
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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