

CORPORATE GOVERNANCE REPORT

STOCK CODE : 6033
COMPANY NAME : PETRONAS GAS BERHAD
FINANCIAL YEAR : December 31, 2025

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 their 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 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.

	<ul style="list-style-type: none"> • 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 ensuring the will of the majority prevails. • 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, Datuk Adif Zulkifli 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	:	
<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 1.4

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

<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>	
Application :	Applied
Explanation on application of the practice :	<p>The Chairman of the Board, Datuk Adif Zulkifli, who is a Non-Independent Non-Executive Director, is not a member of any Board Committees, including Board Audit Committee and Nomination and Remuneration Committee, nor does he attend any Board Committee meetings by invitation.</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 Datuk Adif Zulkifli is available on page 80 of the PGB Integrated Report 2025 (PGB IR 2025).</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 1.5

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>During the year under review, the Board was supported by two Company Secretaries namely Cik Azizahwati Ishak and Mek Yam @ Mariam Hassan.</p> <p>On 1 January 2026, Azira Marini Ab Rahim was appointed as the Company Secretary in place of Cik Azizahwati Ishak, who resigned on the same date.</p> <p>All three Company Secretaries are qualified and competent to act as Company Secretaries pursuant to Section 235 of the Companies Act 2016 (CA 2016) and bring extensive professional expertise in corporate governance, company law, and regulatory compliance.</p> <p>Azira Marini Ab Rahim and Mek Yam @ Mariam Hassan's profiles are available on page 89 of the PGB IR 2025 and the Company's corporate website at www.petronas.com/pgb.</p> <p>In their capacity as governance professionals, they provide independent advice and support to the Board on matters relating to the Company's Constitution, governance policies, regulatory requirements and Board procedures, ensuring that governance practices remain robust and compliant.</p> <p>The Company Secretaries ensure that 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>In addition, the Company Secretaries constantly keep themselves abreast with the regulatory changes and developments in corporate governance through continuous training. The list of training courses attended by Azira Marini Ab Rahim and Mek Yam @ Mariam Hassan is as follows:</p>

Company Secretaries	Trainings Programmes/ Conferences Attended	Organiser	Date (2025)
Azira Marini Ab Rahim	PETRONAS Board Conversation Series #Q1 2025: Sustainability Talk on the Course of the Energy Transition in 2025	S&P Global	28 April
	Companies Commission of Malaysia (CCM) National Conference	CCM	19 – 20 August
	Secretarial Practice Series: Navigating Daily Related Party Transactions within PETRONAS Chemicals Group	PETRONAS	18 September
	PETRONAS Board Conversation Series #Q2 2025: Sustainability Talk on the Strategy and Investment Decision Making Incorporating Nature Considerations	PETRONAS	30 September
	PDM Module 8: Related Party Transactions	PETRONAS	9 October
Mek Yam @ Mariam Hassan	PDM Module 5.0: Constitution & Conflicts of Interest (COI)	PETRONAS	14 January
	Sustainability Excellence Programme for General Managers	PETRONAS	14 May
	PDM Module 6A: Corporate Insolvency & Corporate Rehabilitation	PETRONAS	21 July
	Company Limited by Guarantee Under Companies Act 2016	CCM	14 August

	Mek Yam @ Mariam Hassan	Secretarial Practice Series: Navigating Daily Related Party Transactions within PETRONAS Chemicals Group	PETRONAS	18 September
		MAICSA Annual Conference 2025: Future Governance	Malaysia Institute of Chartered Secretaries Association (MAICSA)	23 – 24 September
		Secretarial Practice Series: Data and AI Governance	PETRONAS	8 October
		PDM Module 8: Related Party Transactions	PETRONAS	9 October
The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in discharging their functions during the year under review.				
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 meeting 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>	
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 respective 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.</p> <p>The Board Charter and the TOR of the Board Committees 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 includes that in order for the Directors to sustain their active participation and contribute effectively in Board deliberation, the Board shall undertake a continuous educational and training programme to update Board Members on relevant development, update their knowledge and enhance their skills. The training programmes attended by all directors during the year under review are detailed below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #00a651; color: white;"> <th style="width: 20%;">Directors</th> <th style="width: 30%;">Trainings Programmes/ Conferences Attended</th> <th style="width: 20%;">Organiser</th> <th style="width: 30%;">Date (2025)</th> </tr> </thead> <tbody> <tr> <td rowspan="4" style="text-align: center;">Datuk Adif Zulkifli</td> <td>Baker Hughes Annual Meeting 2025</td> <td style="text-align: center;">Baker Hughes</td> <td style="text-align: center;">2 - 4 February</td> </tr> <tr> <td>International Petroleum Technology Conference (IPTC) 2025 - Speaker</td> <td style="text-align: center;">IPTC</td> <td style="text-align: center;">18 – 20 February</td> </tr> <tr> <td>CERAWeek 2025</td> <td style="text-align: center;">CERAWeek</td> <td style="text-align: center;">10 – 14 March</td> </tr> <tr> <td>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</td> <td style="text-align: center;">Institute of Corporate Directors Malaysia (ICDM)</td> <td style="text-align: center;">19 – 20 March</td> </tr> </tbody> </table>	Directors	Trainings Programmes/ Conferences Attended	Organiser	Date (2025)	Datuk Adif Zulkifli	Baker Hughes Annual Meeting 2025	Baker Hughes	2 - 4 February	International Petroleum Technology Conference (IPTC) 2025 - Speaker	IPTC	18 – 20 February	CERAWeek 2025	CERAWeek	10 – 14 March	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia (ICDM)	19 – 20 March
Directors	Trainings Programmes/ Conferences Attended	Organiser	Date (2025)															
Datuk Adif Zulkifli	Baker Hughes Annual Meeting 2025	Baker Hughes	2 - 4 February															
	International Petroleum Technology Conference (IPTC) 2025 - Speaker	IPTC	18 – 20 February															
	CERAWeek 2025	CERAWeek	10 – 14 March															
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia (ICDM)	19 – 20 March															

Datuk Adif Zulkifli	PETRONAS Board Conversation Series Q1 2025: Sustainability Talk on the course of the Energy Transition in 2025	PETRONAS	28 April
	World Gas Conference 2025	WGC	21 - 23 May
	Energy Asia 2025	iCEP	18 June
	MISC Group Directors' Training 2025 (Session 1)	MISC	19 June
	PETRONAS Board Excellence: Sustainability Programme 2025	PETRONAS	22 July
	Tropical Basic Offshore Safety Induction & Emergency Training (BOSIET)	Falcon Safety Services Sdn Bhd	30 – 31 July
	MISC Strategy Day2025 Forging Ahead with #deliveringProgress Towards MISC 2030	MISC	14 – 15 August
	Gastech Conference 2025	Gastech Conference 2025	8 – 12 September
	PETRONAS Board Conversation Series Q2 2025: Sustainability Talk on the Strategy and Investment Decision Making incorporating Nature Considerations	PETRONAS	30 September
	Loss, Damage and Adaptation in ASEAN: How ASEAN member states are managing loss and damage, and mobilising institutions to enhance adaptive capacity (virtual)	MISC	8 October
	46 th Energy Intelligence Forum 2025	Speaker: The Forum	13 – 15 October
	Directors' Duties & Responsibilities 1. Jurisdiction: Malaysia & Labuan 2. Jurisdiction: Singapore	AET & MISC Berhad Lim Chee Wee Partnership Duxton Hill Chambers	14 November
	GC Training for G&M HSSE + S Council	PETRONAS	3 December

	Abdul Aziz Othman	Baker Hughes Annual Meeting 2025	Baker Hughes	2 - 4 February
		PETRONAS Board Conversation Series Q1 2025: Sustainability Talk on the course of the Energy Transition in 2025	PETRONAS	28 April
		Energy Asia 2025	iCEP	18 June
		Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	ICDM	30 July (Day 1) & 24 July (Day 2)
		PETRONAS Board Conversation Series Q2 2025: Sustainability Talk on the Strategy and Investment Decision Making incorporating Nature Considerations	PETRONAS	30 September
	Farina Farikhullah Khan	Managing Whistleblowing - What You Should Know and Do	MICG	28 February
		Engagement Session with Fide Forum Members on Bank Negara Malaysia Annual Report 2024, Economic and Monetary Review 2024 and Financial Stability Review for Second Half 2024	BNM	21 April
		Energy Asia 2025	iCEP	18 June
		Refresher on Basel FIRB (Foundation Internal Ratings Based)	AMBANK	8 July
		PETRONAS Board Excellence: Navigating Perspectives and Governance in the Digital Frontier	PETRONAS	27 October
	Datuk Mark Victor Rozario	Forum Ekonomi Malaysia (FEM2025)	Government of Malaysia	9 January
		Korn Ferry's "Caffeine, Conversations, & Connections" Event – "Leadership Lens: AI in the Workplace"	Korn Ferry	18 February

Datuk Mark Victor Rozario	Special Lecture: How Global Events will Affect the Outlook for the Financial Industry in 2025	FIDE Forum	19 February
	DeepSeek's AI Emergence: Exploring Groundbreaking Advancements and Market Disruption	ICAEW	11 March
	ASEAN Investment Conference 2025	Securities Commission Malaysia	8 – 9 April
	PETRONAS Board Conversation Series Q1 2025: Sustainability Talk on the course of the Energy Transition in 2025	PETRONAS	28 April
	PwC AI Leadership Conference 2025	PwC Malaysia	13 May
	Data Centre & Cloud Infrastructure Summit (DCCI) 2025	Tradepass	14-15 May
	Citibank - Cybersecurity training	Citibank	20 June
	Mastering Technology and Data Risk in the Age of Generative AI	YTL	24 June
	Malaysia Hotel Industry Summit 2025	Escom Events	26 June
	The Financial Institutions Directors' Education (FIDE) Core Program Module A: Bank Group	Asia School of Business	30 June – 3 July
	The Islamic Finance for Board of Directors Programme	ISRA International Consulting	9 – 10 July
	PETRONAS Board Excellence Programme: Sustainability in PETRONAS	PETRONAS	22 July
	Korn Ferry Roundtable: From Strategy to Impact – Aligning Boardroom Vision with Execution	Korn Ferry	21 August
	PETRONAS Board Conversation Series Q2 2025: Sustainability Talk on the Strategy and Investment Decision Making incorporating Nature Considerations	PETRONAS	30 September

	Datuk Mark Victor Rozario	The Financial Institutions Directors' Education (FIDE) Core Program Module B: Bank Group	Asia School of Business	13 – 16 October
		Bloomberg Business Summit at Asean	Bloomberg	27 October
		Islamic Banking Business for the International Bank – A Comprehensive View from Top to Bottom 3.0	Citibank	12 November
		AI Adoption Study & Launch: The Front-Runners' Guide to Scaling AI	FIDE Forum	28 November
		PETRONAS Board Conversation Series #Q3 2025: Sustainability Talk on Artificial Intelligence (Ai) & Sustainability	PETRONAS	9 December
		PETRONAS Board Conversation Series #Q4 2025: Sustainability Talk on Reflection on COP30	PETRONAS	10 December
	Sujit Singh Parhar S/O Sukhdev Singh	PETRONAS Board Conversation Series Q1 2025: Sustainability Talk on the course of the Energy Transition in 2025	PETRONAS	28 April
		Energy Asia 2025	iCEP	18 June
		PETRONAS Board Conversation Series Q2 2025: Sustainability Talk on the Strategy and Investment Decision Making incorporating Nature Considerations	PETRONAS	30 September
		PETRONAS Board Conversation Series #Q3 2025: Sustainability Talk on Artificial Intelligence (Ai) & Sustainability	PETRONAS	9 December
		PETRONAS Board Conversation Series #Q4 2025: Sustainability Talk on Reflection on COP30	PETRONAS	10 December
	Datuk Dr. Yatimah Sarjiman	PETRONAS Board Conversation Series Q1 2025: Sustainability Talk on the course of the Energy Transition in 2025	PETRONAS	28 April

	Datuk Dr. Yatimah Sarjiman	Energy Asia 2025	iCEP	18 June
		PETRONAS Board Excellence: Navigating Perspectives and Governance in the Digital Frontier	PETRONAS	27 October
		PETRONAS Board Conversation Series #Q3 2025: Sustainability Talk on Artificial Intelligence (Ai) & Sustainability	PETRONAS	9 December
		PETRONAS Board Conversation Series #Q4 2025: Sustainability Talk on Reflection on COP30	PETRONAS	10 December
	Yusa' Hassan	PETRONAS Board Excellence: Navigating Perspectives and Governance in the Digital Frontier	PETRONAS	27 October
		PETRONAS Board Conversation Series #Q3 2025: Sustainability Talk on Artificial Intelligence (Ai) & Sustainability	PETRONAS	9 December
		PETRONAS Board Conversation Series #Q4 2025: Sustainability Talk on Reflection on COP30	PETRONAS	10 December
	Lim Li Ping	PETRONAS Board Conversation Series Q1 2025: Sustainability Talk on the course of the Energy Transition in 2025	PETRONAS	28 April
		PETRONAS Board Excellence: Effective Strategy for Stakeholders Management	PETRONAS	30 May
		Mandatory Accreditation Programme Part I	ICDM	22 – 23 July
		PETRONAS Board Excellence: Navigating Perspectives and Governance in the Digital Frontier	PETRONAS	27 October
		PETRONAS Board Excellence: Conflict of Interest	PETRONAS	2 December

	Izwan Ismail	CERAWeek 2025	CERAWeek	10 – 14 March
		Microsoft AI Tour	Microsoft	28 May
		SEG Asia Pacific Symposium	SEG	14 June
		Energy Asia 2025	iCEP	18 June
		TCS Summit Asia Pacific 2025	TCS	14 November
		International Malaysia Project Excellence Conference	iCEP	25 November
		Mandatory Accreditation Programme Part I	ICDM	8 – 9 December
		The Board Charter and the Board Committees TOR are accessible from 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

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 Petroleum 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, which is accessible to the public for reference on the Company's corporate website at www.petronas.com/pgb, 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	:	

<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 3.2

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 allegations. 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 Malaysian and Petroliaam Nasional Berhad (PETRONAS) group agenda.</p> <p>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 the 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 all 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 statutory, international standards 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, GRI Standards and IFRS S1 and S2.</p> <p>Through the Sustainability Report, the internal and external stakeholders are engaged on the material matters which have the most impact on the Company's ability to create sustainable 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 a member of International Gas Union (IGU). The Company also actively advocating for a cleaner Gas Masterplan for Malaysia at all platforms.</p> <p>The employees of PGB are engaged with the Company's Sustainability agenda through the following ways:</p> <ul style="list-style-type: none">(i) PGB Townhall.(ii) Union engagement and activities.(iii) Engagement with the Leadership Team.(iv) Periodic employee engagement with PGB Management.(v) Intranet and Internal newsletters.(vi) 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, the Nomination and Remuneration Committee (NRC) had considered Sustainability requirements 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, a majority of the Directors attended training programmes, conferences and forums covering sustainability-related matters, with the Board continuing to keep abreast of developments in 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 progress under Sustainability Blueprint 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 risks and opportunities was evaluated through the annual Board Effectiveness Evaluation. Whereas for the Senior Management team, it is part of their yearly Key Performance Indicators (KPIs).</p> <p>PGB adopts a balanced scorecard approach in assessing the senior management’s performance, encompassing financial, operational, strategic, people development and sustainability dimensions. Sustainability is embedded as a dedicated scorecard element with a defined weightage, incorporating key metrics such as greenhouse gas (GHG) emissions, delivery of decarbonisation and sustainability projects, and FTSE4Good performance thresholds.</p> <p>These sustainability KPIs are aligned with PGB’s Sustainability Blueprint and NZCE 2050 pathway and form an integral part of the overall performance assessment presented to the Nomination and Remuneration Committee. As part of the balanced scorecard framework, achievement against sustainability targets directly influences performance outcomes, reinforcing accountability and long-term value creation.</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 4.5- 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 of 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 43rd Annual General Meeting via the Board Effectiveness Evaluation 2025 (BEE 2025). In evaluating the suitability of the Directors for re-election, the NRC undertook a comprehensive review of their competencies, commitment, contribution and overall performance.</p> <p>The assessment was based on the findings from BEE 2025, the Directors' fit and proper declarations, and their ability to continue to act in the best interest of the Company, with due consideration given to the Conflict of Interest assessment undertaken by the Board Audit Committee.</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	:	Applied	
Explanation on application of the practice	:	<p>The Board recognises the importance role of Independent Non-Executive Directors (INEDs) in providing objective, impartial and independent judgement, thereby ensuring an effective check and balance on the Board. The INEDs contribute independent views and insights, particularly in the deliberation and evaluation of business and investment proposals presented by Management, taking into account the interests of the Group and its stakeholders as a whole.</p> <p>During the financial year under review, four (4) new Directors were appointed, two (2) of whom are INEDs, namely Datuk Dr. Yatimah Sarjiman and Yusa' Hassan. With these appointments, PGB has complied with Practice 5.2 of the Malaysian Code on Corporate Governance, which requires Large Companies to have a Board comprising a majority of INEDs, as well as the Main Market Listing Requirements, which stipulate that at least one-third of the Board shall comprise INEDs.</p> <p>As of 31 December 2025, five (5) out of nine (9) Directors, representing 56% of the total Board composition, are INEDs. The INEDs are as follows:-</p> <ul style="list-style-type: none">(i) Farina Farikhullah Khan(ii) Datuk Mark Victor Rozario(iii) Sujit Singh Parhar s/o Sukhdev Singh(iv) Datuk Dr. Yatimah Sarjiman(v) Yusa' Hassan <p>Their profiles are available on pages 82 to 87 of PGB IR 2025.</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	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Others	Please specify number of years.

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 or recommendation from the Directors.</p> <p>In its selection of suitable candidates, the Nomination and Remuneration Committee (NRC) refers to the Board Selection Criteria.</p> <p>All nominees to the Board are first considered by the NRC. In evaluating the suitability of the candidates, the NRC takes into account the assessment of conflict of interest conducted by the BAC, mix of skills, competencies, experience, integrity, personal attributes, fit and properness and time commitment required to effectively discharge the duties of a director.</p> <p>Diversity consideration, including age, gender and ethnicity, are taken into account during the selection process. The NRC further evaluates whether new Directors continue to meet the fit and proper criteria as set out in the Directors Fit and Proper Policy, to ensure they are able to act in the best interests of the Company.</p> <p>As per the Board Appointment process, before a candidate is recommended for appointment, the Company Secretary conducts comprehensive background checks, including assessments of financial standing, character, and integrity. Meanwhile, the Board Audit Committee reviews any potential conflicts of interest that may arise following such appointment.</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>	
<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 5.6

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 engage the professional recruitment firms to source suitable candidates for directorship or to obtain independent advice, where necessary.</p> <p>PGB practices a formal and transparent process on the appointment of new directors. The nomination of Independent Non-Executive Director(s) is undertaken either through the engagement of professional recruitment firms to identify suitable candidates for vacant positions or through recommendations from the Board members.</p> <p>Additionally, the Board has in place the Board Succession Planning Framework, which sets out the process flow for the appointment of Directors and Board selection criteria. This framework serves as a guide to the NRC in identifying and selecting suitable candidates for Board appointments.</p> <p>The details of the Board Appointment Process are available on page 104 of PGB IR 2025.</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

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>In accordance with the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and the Malaysian Code on Corporate Governance ("MCCG"), the Nomination and Remuneration Committee ("NRC") reviewed the Directors who are due to retire by rotation and are eligible for re-election at the forthcoming Annual General Meeting ("AGM").</p> <p>The NRC applied a structured and rigorous assessment process in evaluating the suitability of the retiring Directors for re-election. This process included an assessment of individual performance based on the BEE 2025, an evaluation of independence for Independent Non-Executive Directors, and a review of each Director's fit and proper status in accordance with the Directors' Fit and Proper Policy, as required under the MMLR.</p> <p>In making the assessment, the NRC considered the Directors' competencies, experience, contribution, commitment and independence, as well as their ability to continue to effectively discharge their fiduciary duties and act in the best interests of the Company. The NRC also took into account the assessment of conflicts of interest conducted by the Board Audit Committee and noted that any identified or potential conflicts had been appropriately assessed and addressed.</p> <p>For the 43rd AGM, six (6) Directors have been identified to retire under Article 100 and Article 107 of the Company's Constitution, as follows:-</p> <p>Article 100</p> <ul style="list-style-type: none">(i) Datuk Dr. Yatimah Sarjiman(ii) Yusa' Hassan(iii) Lim Li Ping(iv) Izwan Ismail

	<p>Article 107</p> <p>(i) Datuk Mark Victor Rozario (ii) Abdul Aziz Othman</p> <p>Five (5) of the six (6) retiring Directors have expressed their willingness to seek re-election and have confirmed that they do not have any conflict of interest that could impair the discharge of their duties. They have also undertaken to disclose and declare the nature and extent of any conflict of interest, if any, with the Company and its subsidiaries, in accordance with applicable policies and regulatory requirements. Further details on assessment conducted on these directors are provided in the Corporate Governance Overview Statement on page 104 to 105 and Explanatory Notes to the Notice of the AGM on page 274 of PGB IR 2025.</p> <p>Datuk Mark Victor Rozario has informed the Board of his intention not to seek for re-election and will accordingly retire from office upon the conclusion of the 43rd AGM.</p> <p>The NRC and the Board, save for the abovenamed Directors who abstained from deliberations on their own re-election, have reviewed the performance of the five (5) Directors seeking re-election and are satisfied that they continue to make meaningful contributions to the Board. The NRC and the Board have therefore recommended the re-election of these Directors for shareholders' approval, as they collectively strengthen the Board's skills, experience and diversity, and support an appropriate balance in Board composition.</p> <p>The profiles of the Directors standing for re-election are set out on pages 81 to 88 of the PGB IR 2025 and are also available on the Company's 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

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 PGB is chaired by Datuk Mark Victor Rozario, an Independent Non-Executive Director.</p> <p>The profile of Dato' Mark Victor Rozario is available on page 83 of PGB IR 2025 and on PGB's website at www.petronas.com/pgb.</p>	
83Explanation 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> <p>(i) Farina Farikhullah Khan (ii) Datuk Dr. Yatimah Sarjiman (iii) Lim Li Ping</p> <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 members 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	:	
<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 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 the financial year 2025, the Company had engaged a third-party independent consultant to conduct its BEE to ensure objectivity and impartiality in the assessment process. The results of the BEE were presented to the Board on 24 February 2026. The Board, through the NRC, reviewed the outcome of the BEE 2025 and noted the findings and areas that require further improvements.</p> <p>The evaluation framework covered twelve key parameters, namely Board leadership; Board composition, skills and development; Board Committees; Board governance and processes; Board agendas, meetings and information; Board dynamics and culture; Board and management relationship; Board and stakeholder engagement; Board and sustainability matters; and Board crisis management responses; including 2 new parameters focusing on People & Culture; and Technology, Cybersecurity & Digital Oversight.</p> <p>The evaluation was undertaken through a structured methodology comprising a review of relevant governance documents, comprehensive online questionnaires completed by all directors and selected members of the Senior Management Team, as well as individual interviews to obtain qualitative insights into Board performance, individual director contributions, overall effectiveness and forward-looking governance priorities.</p>

	<p>Overall, the evaluation affirmed that the Board continues to operate effectively, supported by sound governance structures and constructive Board–Management engagement.</p> <p>Consistent with the Board’s commitment to continuous improvement, the BEE identified several areas to further strengthen Board effectiveness. These include deepening the strategic integration of sustainability considerations, enhancing forward-looking strategic conversations, and deepening board engagement in areas such as people, talent and succession planning, as well as crisis preparedness.</p> <p>In summary, the Board is committed to addressing these areas and implementing the necessary improvements in the coming year to ensure the Board remains well-equipped to meet emerging challenges and continue providing effective oversight in driving the Company’s long-term strategic objectives.</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 Board had on 4 March 2025, reviewed and approved the revisions to the Directors' Remuneration Framework and the remuneration package for Non-Executive Directors following the NRC's recommendation to ensure its continued relevance and alignment with the prevailing market benchmarks. The Shareholders subsequently approved the increase of Directors' fees at the 42nd AGM of PGB held on 23 April 2025. The revisions were made in accordance with the Framework's provision where a periodic review is required to be conducted once every three years.</p> <p>Under the approved structure, the Directors' fees for the Non-Executive Chairman were revised from RM288,000 to RM360,000 per annum, while the fees for each Non-Executive Director were increased from RM144,000 to RM240,000 per annum.</p> <p>The NRC also review the remuneration packages of the Managing Director/Chief Executive Officer of the Company. The activities of the NRC during the reporting period are reported in the NRC Report included in the PGB IR 2025.</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 2024 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> <ul style="list-style-type: none">(i) Datuk Adif Zulkifli(ii) Lim Li Ping (<i>Appointed effective 24 April 2025</i>)(iii) Izwan Ismail (<i>Appointed effective 15 September 2025</i>)(iv) Marina Md Taib (<i>Resigned effective 24 April 2025</i>)(v) Hasliza Othman (<i>Resigned effective 1 June 2025</i>) <p>Abdul Aziz Othman, the MD/CEO, an Executive Director of the Company is not entitled to receive directors' fee or meeting allowances. During the year, the Company incurred RM2,188,009 for remuneration of MD/CEO of PETRONAS Gas Berhad. He did not receive any remuneration for his directorship in other companies within the PGB Group. The breakdown of his remuneration made pursuant to Main Market Listing Requirements of Bursa Malaysia Securities Berhad as set out in Table 1 below.</p>

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	Adif Zulkifli	Non-Executive Non-Independent Director	336	45.5	0	0	0	0	381.5	0	0	0	0	0	0	381.5
2	Abdul Aziz Othman	Executive Director	0	67.8	1,314.9	438.30	53.61	313.39	2188	0	0	0	0	0	0	2,188
3	Farina Farikhullah Khan	Independent Director	208	108.5	0	0	6	0	322.5	0	0	0	0	0	0	322.5
4	Datuk Mark Victor Rozario	Independent Director	208	115.5	0	0	6	0	329.5	0	0	0	0	0	0	329.5
5	Sujit Singh Parhar s/o Sukhdev Singh	Independent Director	208	94.5	0	0	6	0	308.5	0	0	0	0	0	0	308.5
6	Datuk Dr. Yatimah Sarjiman	Independent Director	162.8	59.5	0	0	4.117	0	226.417	0	0	0	0	0	0	226.417
7	Yusa' Hassan	Independent Director	42	133.999	0	0	3.35	0	179.350	0	0	0	0	0	0	179.350
8	Lim Li Ping	Non-Executive Non-Independent Director	162.8	24.5	0	0	0	0	187.3	0	0	0	0	0	0	187.3
9	Izwan Ismail	Non-Executive Non-Independent Director	70.666	3.5	0	0	0	0	74.167	0	0	0	0	0	0	74.167
10	Datuk Yeow Kian Chai	Independent Director	45.2	35	0	0	1.883	0	82.083	0	0	0	0	0	0	82.083
11	Marina Md Taib	Non-Executive Non-Independent Director	45.6	17.5	0	0	0	0	63.1	0	0	0	0	0	0	63.1
12	Hasliza Othman	Non-Executive Non-Independent Director	68	21	0	0	0	0	89	0	0	0	0	0	0	89

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 2025, the Company has identified its Top 4 Senior Management as follows, however, their remuneration, save for Managing Director/Chief Executive Officer (MD/CEO), will not be disclosed:</p> <ol style="list-style-type: none">i. Abdul Aziz Othman (MD/CEO)ii. Shahrul Azham Sukaiman (Chief Financial Officer)iii. M Nasahie Akbar Ali (Head of Gas Transmission and Regasification)iv. Wan Khairul Nizam Wan Kassim (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 against the benchmarked companies. In addition, their annual increments and bonus payouts are based on performance.</p> <p>The detailed remuneration of the MD/CEO is disclosed under Practice 8.1.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

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 (4) 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 Chartered Accountants Australia and New Zealand.</p> <p>The Chairman of the Board of PETRONAS Gas Berhad is Datuk Adif Zulkifli since 20 August 2024 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 82 of PGB IR 2025.</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 recommends to the Board on the appointment, re-appointment or termination of the external auditor.</p> <p>In line with the adopted PETRONAS Framework on External Auditors, PGB conducts the annual assessment of the external auditors' performance, suitability and independence. The results of the assessment were deliberated at the BAC meeting, together with updates on the non-assurance service provided by the external auditors, to ensure that there is no impairment on their independence.</p> <p>In addition, the BAC met twice with the external auditors in the absence of the Management. The external auditors also confirmed their independence to the Board in writing, covering both audit and non-audit services provided 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.</p> <p>As at 31 December 2025, the BAC consisted of three (4) 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>Datuk Dr. Yatimah Sarjiman Independent Non-Executive Director <i>(Appointed as BAC Member on 24 April 2025)</i></td><td>Member</td></tr><tr><td>4</td><td>Yusa' Hassan Independent Non-Executive Director <i>(Appointed as BAC Member on 10 June 2025)</i></td><td>Member</td></tr></tbody></table> <p>The profile of the Chairman and Members of BAC are available on pages 82 to 87 of PGB IR 2025.</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	Datuk Dr. Yatimah Sarjiman Independent Non-Executive Director <i>(Appointed as BAC Member on 24 April 2025)</i>	Member	4	Yusa' Hassan Independent Non-Executive Director <i>(Appointed as BAC Member on 10 June 2025)</i>	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	Datuk Dr. Yatimah Sarjiman Independent Non-Executive Director <i>(Appointed as BAC Member on 24 April 2025)</i>	Member															
4	Yusa' Hassan Independent Non-Executive Director <i>(Appointed as BAC Member on 10 June 2025)</i>	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>During the financial year under review, the BAC members enhanced their competencies through participation in relevant training programmes on developments in accounting and auditing standards, regulatory updates and governance practices. In addition, members remained updated through technical briefings by the external auditors during Audit Committee meetings, discussions with Management, and regular review of professional and regulatory publications.</p> <p>The list of trainings attended by the BAC is specified under Practice 2.1 above.</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

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 Group has established and maintained a sound and effective risk management and internal control framework to support the effective conduct of the Group’s business, safeguard assets and support the achievement of strategic objectives.</p> <p>The framework operates across all levels of the organisation and is embedded into governance, decision-making and business processes, including strategic and investment decisions. It enables consistent and disciplined management of operational, financial, sustainability and climate-related risks, while mitigating exposures that could result in loss, reputational damage or failure to meet business objectives.</p> <p>Further information on the Group’s risk management framework and internal control system is disclosed in the Statement on Risk Management and Internal Control (SORMIC) on pages 143 to 159 of PGB IR 2025.</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

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	:	<p>The key features of the Company's risk management and internal control framework, including the Board's view on its adequacy and effectiveness, are disclosed in the Statement on Risk Management and Internal Control (SORMIC) on pages 143 to 159 of PGB IR 2025.</p> <p>In essence, the Group's Risk Management Framework adheres to the PETRONAS Resiliency Model, which integrates Enterprise Risk Management, Crisis Management and Business Continuity Management within a single, holistic framework.</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 10.3 - 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 Sustainability and Risk Committee (BSRC) was established to assist the Board in providing oversight of the risk management framework, policies and practices; and environmental, social & governance (ESG), compliance and sustainability agenda. The BSRC currently comprises four (5) 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>Sujit Singh Parhar s/o Sukhdev Singh Independent Non-Executive Director 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>Datuk Dr. Yatimah Sarjiman Independent Non-Executive Director <i>(Appointed as BSRC Member on 24 April 2025)</i></td><td>Member</td></tr><tr><td>5</td><td>Yusa' Hassan Independent Non-Executive Director <i>(Appointed as BSRC Member on 10 June 2025)</i></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 82 to 87 of PGB IR 2025.</p>	No.	Directors/ Designation	Membership	1	Sujit Singh Parhar s/o Sukhdev Singh Independent Non-Executive Director 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	Datuk Dr. Yatimah Sarjiman Independent Non-Executive Director <i>(Appointed as BSRC Member on 24 April 2025)</i>	Member	5	Yusa' Hassan Independent Non-Executive Director <i>(Appointed as BSRC Member on 10 June 2025)</i>	Member
No.	Directors/ Designation	Membership																		
1	Sujit Singh Parhar s/o Sukhdev Singh Independent Non-Executive Director 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	Datuk Dr. Yatimah Sarjiman Independent Non-Executive Director <i>(Appointed as BSRC Member on 24 April 2025)</i>	Member																		
5	Yusa' Hassan Independent Non-Executive Director <i>(Appointed as BSRC Member on 10 June 2025)</i>	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 BAC is supported by PGB Internal Audit (PGB IA) as a core component of the Group’s overall corporate governance and assurance provider.</p> <p>PGB IA undertakes a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes within the Group.</p> <p>The Chief Audit Executive (CAE) of PGB IA reports directly to the BAC.</p> <p>The internal audit functions and its effectiveness are disclosed in the BAC Report on pages 123 to 124 and in the SORMIC on pages 154 to 155 of PGB IR 2025.</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 PGB IA Chief Audit Executive (CAE) reports functionally to the Board Audit Committee (BAC) and administratively to the Group Chief Audit Executive (GCAE) of PETRONAS.</p> <p>The PGB IA CAE would declare the independence and objectivity of the Internal Audit activities annually. In maintaining independency and objectivity, internal auditors will not be assigned with audit scope that would lead to conflict of interest.</p> <p>The PGB IA team is staffed by eleven (11) professionals with diverse experience and qualifications across different areas including accounting and finance, operations and maintenance, information technology and digital disciplines. The team is also supported by technical professionals and subject matter experts from the PETRONAS Group.</p> <p>During the year under review, the Internal Audit function was headed by Hardi Hazizie A Hamid. He holds a Bachelor of Mechanical Engineering from Universiti Teknologi PETRONAS. He is a Member of Institute Internal Auditors (IIA), 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 25 years of experience in Petroliaam Nasional Berhad (PETRONAS) and held numerous portfolios. He assumed several executive positions within Upstream business until he was moved to Group Internal Audit as Executive (Internal Audit) in January 2013, before being promoted as Manager (Internal Audit), in August 2013. In total, he has 12 years of experience in Upstream business and 13 years of experience in Internal Audit.</p>

	<p>The Internal Audit function is guided by:</p> <ul style="list-style-type: none"> a) PGB Internal Audit Charter (the Charter) as approved by the BAC. The Charter defines PGB Internal Audit Purpose, Mandate, Roles and Responsibilities, Scope and Types of Services. b) Global Internal Audit Standards (GIAS). c) Control Environment, Risk Assessment, Control Activities, Information & Communication and Monitoring Activities (COSO) Framework. d) PGB Internal Audit Manual (L3 document). e) Relevant policies and procedures as adopted by the Group. 	
<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 acknowledges the crucial role of effective communication with the Company's shareholders and various stakeholders, including the wider public. Information regarding the Group's business activities and financial performance is disseminated timely through various channels such as Bursa Malaysia announcements, postings on the official website, press statements, issuance of the Annual Report, and, when necessary, press conferences.</p> <p>Regular dialogues with institutional shareholders and analysts, along with quarterly analyst briefings, are conducted by the Managing Director/ Chief Executive Officer (MD/CEO), Chief Financial Officer (CFO), and Head of Investor Relations. These engagements aim to enhance understanding of the Group's financial performance and operations. The minutes of the Annual General Meeting (AGM), along with a summary of questions and answers from the meeting, are made available on the Company's website at www.petronas.com/pgb.</p> <p>Additionally, periodic visits to the Group's facilities are organised to provide stakeholders with a deeper appreciation and insight into the Group's business and operations.</p> <p>The Company actively maintains its website, www.petronas.com/pgb, with the latest information on corporate and business aspects. Press statements, Bursa Malaysia announcements, analyst briefings, and quarterly results are accessible on the website, promoting transparency and accessibility of information for shareholders and other market participants.</p> <p>Investors can provide communication and feedback through the email address ir.petronasgas@petronas.com or by addressing it to:</p> <p>Suriyanti Nordin Head of Investor Relations Level 49 & 50, Tower 1 PETRONAS Twin Towers</p>

	50088 Kuala Lumpur Malaysia	
	The details of the Investor Relation activities during the year under review is presented on page 115 of PGB IR 2025.	
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 2025 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 42nd 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 and vote at the AGM.</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 42nd Annual General Meeting (AGM) of the Company which was held physically at Taming Sari Grand Ballroom, Royale Chulan Kuala Lumpur, 5 Jalan Conlay, Kuala Lumpur City Centre, 50450 Kuala Lumpur.</p> <p>A total number of 1,834 shareholders and proxies attended the 42nd AGM at the meeting venue. 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 2024, 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 Boardroom Smart Investor Portal (BSIP) at https://investor.boardroomlimited.com. 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). All 52 questions submitted prior to the AGM and 40 live questions posed by the shareholders were also responded during the AGM. The responses to all 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	:	
<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 13.3

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>Effective 1 March 2025, a joint directive from Bursa Malaysia and the Securities Commission Malaysia requires all listed entities to conduct their AGMs and other general meetings in either a hybrid or fully physical format.</p> <p>In compliance with the requirement, the 42nd AGM of the Company held on 23 April 2025 was held physically at an accessible venue allowing 1,834 shareholders and proxies to attend physically. As such, the Company did not provide remote participation and electronic voting facilities for shareholders during the meeting.</p> <p>Shareholders attended, participated, raised questions and voted in person or through proxies at the meeting venue. The Board ensured that shareholders were able to engage meaningfully with the Board and Management during the physical Annual General Meeting.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Company facilitates shareholders' participation at the 42 nd AGM through physical attendance at an accessible meeting venue. The Board ensures that shareholders are able to engage directly with the Board and Senior Management, raise questions, and exercise their voting rights in person or by proxy during the meeting. The Company provides clear administrative guide and voting procedures in the Notice of AGM to support effective participation at the physical meeting.
Timeframe	:	

Intended Outcome

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

Practice 13.4

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>In 2025, the 42nd AGM of the Company was conducted physically for the first time since the COVID-19 pandemic, reflecting the Group's commitment to meaningful, in-person dialogue. The AGM was held on 23 April 2025 and well attended by 1,834 shareholders, providing a robust platform for the exercise of shareholder rights and active participation.</p> <p>Before the 42nd AGM, the Company received 52 pre-submitted questions, whereby out of 52 questions, 14 questions were on hybrid meeting, 6 questions were on door gifts and the balance of questions were on fire incident at Putra Height. The Company had addressed all 52 pre-submitted questions at the AGM.</p> <p>During the 42nd AGM, the Company received 40 live questions from the shareholders and their representatives and had addressed all live questions during the Question-and-Answer session.</p> <p>The details of all the pre-submitted and live questions were posted 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

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.

<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. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
Application :	Not applicable – only physical general meetings were conducted in the financial year
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

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 42 nd Annual General Meeting (AGM) of the Company held on 23 April 2025 were circulated to the shareholders within 30 business days after the 42 nd AGM of the Company. The minutes of the 42 nd 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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