

# SUSTAINABILITY REPORT

FUELLING A BETTER TOMORROW



**PETRON**

Petron Malaysia Refining &  
Marketing Bhd (3927-V)



## OUR VISION

To be the leading provider of total customer solutions in the oil sector and allied businesses

## OUR MISSION



Being an integral part of our customers' lives, exceeding expectations and meeting their changing needs, delivering a consistent customer experience through quality products and innovative services



Developing strategic partnerships in pursuit of growth opportunities



Fostering an entrepreneurial culture that encourages teamwork, innovation and excellence



Adhering to the strictest safety and environmental standards



Acting with professionalism, integrity and fairness at all times



Promoting the best interests of all our stakeholders, and caring for our community



# TABLE OF CONTENTS

<b>SECTION</b>	<b>ONE</b>
<b>02</b>	Message from the Chairman

<b>SECTION</b>	<b>TWO</b>
<b>03</b>	The Business of Petron

<b>SECTION</b>	<b>THREE</b>
<b>05</b>	About Our Report

<b>SECTION</b>	<b>FOUR</b>	
	<b>Environmental Sustainability</b>	
<b>06</b>	Our Commitment	Reducing Air Emissions
<b>07</b>	Safety, Security, Health and Environment Policy	Minimum Discharges, Cleaner Operations
<b>07</b>	Our Environmental Programmes	Our Green Campaign
	Our Environmental Business Plan (EBP)	Oil Spills and Remediation
	Improving Our Energy Efficiency	Product Responsibility
	Improving Water Footprint	Product Stewardship
	Managing Our Materials	

<b>SECTION</b>	<b>FIVE</b>	
	<b>Social Sustainability</b>	
<b>15</b>	A Pledge to Social Obligation	Building national unity and social development
<b>15</b>	Our Social Programmes	through the arts
	Cultivating a Habit of Safety and Security	Making a difference through volunteerism
<b>17</b>	Caring for our Communities	Customer Focus
	Inspiring future leaders through education	Retail DOSH Compliance

<b>SECTION</b>	<b>SIX</b>
	<b>Economic Sustainability</b>
<b>22</b>	But How Was This Achieved?
<b>24</b>	Corporate Governance
<b>25</b>	Risk Management

<b>SECTION</b>	<b>SEVEN</b>
<b>26</b>	Awards and Recognition for 2017
<b>28</b>	2017 Awards & Recognitions - Terminal Operations

<b>SECTION</b>	<b>EIGHT</b>
<b>29</b>	View Forward

<b>SECTION</b>	<b>NINE</b>
<b>30</b>	Petron Sustainability Technical Working Group

## MESSAGE FROM THE CHAIRMAN



**Dear Shareholders,  
On behalf of the Board of Directors, it gives me great pleasure to present Petron Malaysia's first Sustainability Report.**



### OPPORTUNITIES

We constantly look for opportunities to sustain growth and achieve long-term profitability



### SUSTAINABLE FUTURE

PETRON assures a sustainable future for the nation, our environment and our organisation

Sustainability is an indispensable part of the Petron way. This report highlights our commitment to what it means to be sustainable, which extends not only to our business but also to our communities and the environment.

In our company, our commitment to sustainable business practices is anchored on the pillars of environment, social, and economic performance. These determine how we do business namely being mindful of how we manage our resources across our value chain; providing our customers with the best products and services with utmost safety and efficiency; caring for our communities and the environment; and providing our colleagues and stakeholders a safe and secure workplace.

We constantly look for opportunities to sustain our growth and achieve long-term profitability. The sustainability of our business allows us to reach more people and make a positive difference in their lives. By including our business partners, shareholders and local communities in our growth, we are making a modest contribution to building a stronger Malaysia.

Our dedication to address social issues is evident in our CSR initiatives. Our employee volunteers are at the heart of various programmes on education, environment, and other charitable causes. Our station dealers and personnel provide safe havens and assistance to emergency victims through the Go-to-Safety-Point (GTSP) programme with the Royal Malaysia Police. In partnership

with the Road Safety Department, we promote safety through our long-running road safety advocacy in universities and other institutes of higher learning.

As an oil company, we strive to minimise our impact on the environment. With this, we have made every effort to go beyond compliance with regulations and to reduce our footprint through our own system for measuring, managing, and minimising our environmental impact. We also introduced Greenhouse Gas-Air Pollutant Accounting and Energy Conservation measures as a way to manage our emissions. We continue to invest in the rehabilitation of natural habitats surrounding our facilities that are located near critical coastal areas.

We know there is still more to do in order to ensure a sustainable future for the country, our environment, and our organisation. As we go further on our sustainability journey, we will apply more rigour in our reporting processes so we can continuously improve every aspect of our value chain. We are ready to take on this challenge aided by a skilled and dedicated workforce, armed with a strong tradition of public service and an even stronger commitment to ensure a brighter tomorrow for all.

### RAMON S. ANG

Chairman  
Petron Malaysia Refining & Marketing Bhd. (PMRMB)

## THE BUSINESS OF PETRON



> Aerial view of Port Dickson Refinery

Petron Corporation joined Malaysia's dynamic and progressive market with the acquisition of ExxonMobil's downstream businesses in March 2012.

Petron Malaysia group is composed of Petron Malaysia Refining & Marketing Bhd (PMRMB), a public company listed on Main Board of Bursa Malaysia; Petron Fuel International Sdn. Bhd. (PFISB) and Petron Oil (M) Sdn Bhd. (POMSB).

Petron Malaysia Refining & Marketing Bhd operates the Petron Port Dickson Refinery (PDR) which has a rated capacity of 88,000 barrels per day, producing a wide range of petroleum products which include gasoline, diesel, liquefied petroleum gas (LPG), commercial and aviation fuels. Our world-class fuels are distributed from 11 strategically-located depots and terminals of Petron subsidiaries in Malaysia.

Being an Asian company with a global mindset, Petron looks forward to becoming an integral part of customers' lives as we fuel journeys through our retail network of more than 600 service stations nationwide under the Petron Malaysia Group.

We take pride in what our brand stands for – innovative products, excellent service, successful partnerships built on trust, and caring for our customers.

We fuel safe customers' journeys with our top-of-the line and environment – friendly fuels, Blaze 100 Euro 4M, Blaze 97 Euro 4M, Blaze 95RON, Turbo Diesel Euro 5 and Diesel Max. The high performance Blaze 100 Euro 4M was launched in early 2016. This first-of-its-kind high performance petrol gives better mileage, better engine protection, and better power.



### PDR

Petron Malaysia Refining & Marketing Bhd operates PDR which has a rated capacity of 88,000 barrels per day



### SERVICE STATIONS

Petron operates a retail network of more than 600 service stations nationwide

## THE BUSINESS OF PETRON

Our Turbo Diesel Euro 5 meets the ultra-low sulphur requirements of more stringent global emissions standards. It is a technologically advanced diesel especially engineered with a premium additive system providing improved engine performance for superior acceleration, better fuel economy, and reduced harmful exhaust emissions.

Petron goes beyond being a petrol station, it also provides a one-stop service experience to travellers on the road. Our very own stores "Treats" and P Kedai offer customers the convenience to shop for consumables and other items during their journeys. Clean restrooms and upgraded facilities serve as comfortable rest areas. In suitable locations, we formed partnerships with quick service restaurants and car wash centres to provide the full Petron experience to our customers. Our Petron Miles Card gives loyal customers more savings, rewards, and unique lifestyle experiences. Partnerships with the Giant Group, Guardian, Malaysia Airlines, and Air Asia enabled us to run exciting lifestyle promotions and give back to our customers.



Our service stations are safety hubs for those needing early assistance. Petron Malaysia is the first oil company to transform all of its service stations into "Go-To-Safety-Point". With our well-lit and secure facilities, GTSP has given motorists peace of mind whenever they fuel up at Petron. Petron dealers and their staff have been trained by the RMP and are equipped with sufficient know-how to provide early assistance

Our Commercial business continues to grow as we acquired more accounts including Petron Gasul and Petron Aviation. Beyond the quality of our products, we go the extra mile with excellent after-sales services, helping our customers achieve more efficient business operations.

## ABOUT OUR REPORT

Petron Malaysia 2017 Sustainability Report was prepared using the guidelines prescribed by Bursa Malaysia and highlights our commitment to sustainable business practices anchored on the pillars of environment, social and economic performance. All information disclosed in this report pertains to our operations from January 1 to December 31, 2017.

Our operations under Petron Malaysia Refining & Marketing Bhd. (PMRMB), includes our Petron Malaysia Head Office, Port Dickson Refinery, Bagan Luar Terminal and PMRMB company-owned, company-operated service stations. We also discuss current issues and challenges faced by the Company in the context of sustainability in operations and corresponding planned actions.

2017 is the first year that PMRMB is formalising our sustainability report. We make use of a materiality matrix that required discussion among our stakeholders, using Global Reporting Initiatives (GRI) Performance indicators, as our primary means to measure compliance.

As a result of stakeholder engagement and guided by Bursa, we initiated a review of our efforts that involves our internal business functions and our external stakeholders including service station dealers, business partners, vendors, suppliers, and contractors to further our sustainability agenda.



In preparing data for the report, we continued to adopt the data monitoring and measurement methods in the environmental manual of all our facilities as prescribed in our Integrated Management System and Environmental Management System which are fully compliant with all Malaysia regulatory requirements.

As we go further on our sustainability journey, we established the Petron Technical Working Group (TWG). The Technical Working Group which reports to the Management Committee, not only ensures applicability and materiality of the set indicators but also transparency and accuracy in our disclosures.

PMRMB strive towards more rewarding sustainability programmes anchored on the pillars of:



**ENVIRONMENTAL**  
PERFORMANCE



**SOCIAL**  
PERFORMANCE



**ECONOMIC**  
PERFORMANCE

## ENVIRONMENTAL SUSTAINABILITY



### OUR COMMITMENT

At Petron, we believe that securing a healthy environment that will sustain our future requires every person to take active and positive action. As a corporate citizen, we acknowledge our responsibility, and have put measures in place to ensure every employee plays their role caring for the environment.

This is embedded in our Vision and Mission Statement which clearly spells out our commitment to enhance the lives of the people and the places that our business impacts:

- Acting with professionalism, integrity and fairness at all times;
- Adhering to the strict safety and environmental standards; and
- Promoting the best interests of all stakeholders, and caring for our community.

This commitment is achieved through steadfast dedication from our top management in instituting strict and appropriate operational procedures and providing necessary resources to meet, if not exceed, all governmental and industry standards and regulations in promoting and protecting the environment.

Our employees are also encouraged to do their share in preserving the environment in their personal capacity. To this end, we provide opportunities to engage them as volunteer stewards of the environment through various greening programmes. We believe through this strong commitment emanating from the highest levels of the organisation down to the rank and file, we can collectively fulfill our pledge towards ensuring that succeeding generations will continue to enjoy the benefits of a healthy environment.



Acting with professionalism, integrity and fairness at all times



Adhering to the strict safety and environmental standards



Promoting the best interests of all stakeholders, and caring for our community



## ENVIRONMENTAL SUSTAINABILITY

### Safety, Security, Health and Environment Policy

We at Petron Malaysia are fully committed to conduct our operations in a manner that protects the environment and ensures the safety, security and health of our colleagues, customers, suppliers, contractors and the public. We believe that this is vital to ensure attain business continuity and the long-term sustainability of the Company.

Consistent with our belief:

- We commit to comply with all government regulations to promote occupational safety, health and the preservation of the environment;
- We will continue to implement appropriate operational control procedures, provide necessary resources and strong management support, and involve our stakeholders in related endeavours;
- We will continue to innovate our products and services while strictly adhering to global safety, health and environment standards; and
- We will continue to place a premium on safety and security at all our facilities.

To ensure that we live up to all these commitments:

- We continuously promote the safety, security and health of our colleagues, our host communities and stakeholders;
- We have in place stringent goals and targets to achieve operational excellence;
- We pro-actively manage risks and minimise environmental impact to ensure business continuity;
- We consistently implement strategies to constantly improve the way we do business.

The guiding principles as prescribed in our SSHE Policy are well ingrained throughout the length and breadth of our operations from the head-office to the service stations, our refinery, our terminals and all our site offices and distribution centres.

Guided by these principles, various programmes are put in place at all levels of our operations to ensure that all commitments as stated in our policy and vision and mission are met to the fullest extent possible.

### OUR ENVIRONMENTAL PROGRAMMES

Petron acknowledges that our business and operation have potential impact on the environment, thus we go the extra length and act more than what is required by operations regulations to mitigate and manage our footprint. The Company has successfully articulated on how our operations stay in line with our vision of being an industry leader that cares for the environment by developing a system in place for measuring environmental footprint, which we extend from the Refinery to our service stations.

## ENVIRONMENTAL SUSTAINABILITY

Our refinery, terminals and offices established Safety, Security, Health and Environment (SSHE) committees involving employees at various levels. We are unwavering in our commitment and in our efforts to provide fuel and energy products that deliver maximum performance without compromising the environment.

Strategic programmes aimed at reducing wastes, managing emissions and optimising energy utilisation allow us to make substantial impact in our environmental efforts at our Port Dickson Refinery (PDR) and terminals. These have resulted in improved energy and water conservation despite the aggressive expansion projects of the Company.

Additionally, Petron undertakes regular training to effectively communicate its sustainability reporting vision and direction among employees, business partners, community leaders, and project beneficiaries. We also engage and brief our network of service station dealers and product transporter companies to ensure our SHE policies and practices are fully understood and strictly adhered to at the operations level.

### Our Environmental Business Plan (EBP)

To track and monitor our environmental performance at our refinery, a five (5)-year environmental business plan (EBP) is put in place that documents and measures our performance against regulatory and industry standards.

By regularly measuring our environmental impact, we make sure that our business processes, facilities, products and services are contributing to the efforts in minimising environmental impact which nurture nature.

EBP is a document that describes the environmental aspect and impact of site operations and emissions in relation to environment conservation and regulatory compliance. It identifies strategic environmental focus areas and the initiatives to achieve them. Our EBP covers environmental strategies and action plans for the present and up to a five-year period. This programme is implemented at operating sites and serves as a guideline to improve/sustain Petron's environmental performance consistent with "Protect Tomorrow Today". The EBP focuses on reducing the environmental impact related to the expected operations over a 5-year period, including anticipated future regulatory changes and new business challenges.

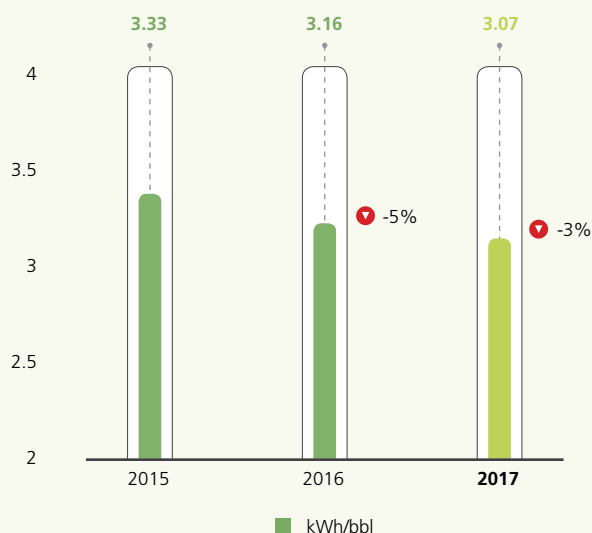
The following are the main considerations and processes applied in developing this EBP:

- Environmental aspects, impacts, metrics and quantitative targets of sites;
- Identification of steps / projects / initiatives which can possibly meet the site and Corporation's targets;
- Compliance with all applicable regulations and permit requirements;
- Assessment of short / long term regulatory changes and plan operating changes and facilities upgrading, if required;
- Implementation of environmental best practices through development of a specific list of prioritised opportunities or needs, including those where technology help is necessary.

## ENVIRONMENTAL SUSTAINABILITY

### Improving Our Energy Efficiency

#### ELECTRICITY CONSUMPTION PER CRUDE BARREL



In 2017, continuous initiatives to improve energy efficiency and energy conservation programmes helped Port Dickson Refinery reduce its electricity consumption, with 56,447 MWhr of electricity needed to process 18,407 KBbls of crude oil (3.07 KWhr/Bbl) as against 56,702 MWhr to process 17,972 KBbls (3.16 KWhr/Bbl). At the same time, the Refinery achieved higher operational optimisation as it achieved 2.42% more crude processed over 2016. Parallel to this, Terminal Operations registered a 0.34% reduction in electricity consumption (3,704 MWhr in 2016 to 3,692 MWhr in 2017). Total electricity use for the whole company, including head office stood at 60,557 MWhr for the current year with the refinery in Port Dickson accounting for the bulk (93.2%) of the consumption.

### Improving Water Footprint

In 2017, diligent conservation efforts led to the reduction of water consumption by over 28,616 m<sup>3</sup> from 537,712 m<sup>3</sup> to 509,096 m<sup>3</sup>. The Refinery was also the biggest consumer of water, requiring 89.7% of the Company's total demand (Terminals accounted for the remaining 10.3%). All water consumed is purchased from the state water authority. The refinery's fresh water footprint per barrel of crude processed was 24.8 litres, which is lower than previous year by 8% (at 27 litres).

Volume of waste water discharged from refinery operations and maintenance activities flowing into the water retention pond (main lagoon) for treatment was 723,361 m<sup>3</sup> (based on flow meter reading). The waste water effluent qualities were all within the DOE Standard "B" allowable limits before being discharged into public water streams.

Petron's continuous conservation efforts resulted in

#### REDUCTION OF WATER CONSUMPTION

**28,616**  
cubic metres

#### REFINERY'S FRESH WATER FOOTPRINT

per barrel of crude processed

**24.8**  
litres in **2017**

VS

**27**  
litres in **2016**

#### VOLUME OF WASTE WATER DISCHARGED FROM REFINERY OPERATIONS

**723,361**  
cubic metres



## ENVIRONMENTAL SUSTAINABILITY

### Managing our Materials

With continuous improvements in our refinery processes, the volume of crude processed at the refinery continued to increase over the years, from 17,000 KB (Thousand Barrels) in 2015 to 18,000 KB in 2016 and 18,400 KB in 2017.



### Reducing Air Emissions

With a slight reduction in electricity consumption, total Indirect GHG emission from purchased electricity at the refinery and terminals was 25.78 kilotonnes in 2017 and 26.00 kilotonnes in 2016, with the Refinery accounting for nearly the entire (98.7%) indirect GHG emissions.

The refinery continued to control flaring rate by optimising plant operations and utilisation of refinery gas as fuel gas. GHG emission data and volume of crude processed show that in 2017, direct GHG emission from gas combustion at the refinery furnaces and flares for every barrel of crude processed was at 7.53kg/bbl, which was a slight improvement from the previous year's record of 0.2%.

### Minimum Discharges, Cleaner Operations

Waste management is another key area for us. Not only does it minimise the environmental impact of our operations, it helps improve our internal processes in the form of expenses avoided while realising economic gains in additional profits.

Waste oil generated from refinery plant operation is recovered at the skim pond facility as slop oil while crude sludge is treated and the free oil recovered. Both the recovered slop oil and free oil are processed at the plant. At the terminal, slop oils generated are sold to recyclers approved by the Department of Environment. Under Malaysian Environmental Quality Act & Regulations, "Scheduled Wastes" must be sent to a Prescribed Premise for treatment or disposal.

In 2017, a total of 142.7 tonnes of scheduled wastes (121.0 tonnes of the waste coming from the Refinery and 41.7 from the terminals) were disposed. The higher volume of scheduled wastes generated (an increase of 22.07% from the previous in 2017) in the Port Dickson Refinery (PDR) was due to increased maintenance activities and repair works. PDR has started to look into engaging licensed recycler/s that can actually recover hydrocarbon or use refinery oil sludge as raw material. This is to support the government initiative for a "cradle-to-grave" approach in using hazardous waste

## ENVIRONMENTAL SUSTAINABILITY

as raw material input to reduce using incineration or landfill facilities for disposal. Non-hazardous wastes are collected five times a week from Port Dickson refinery and terminal and disposed at the local municipal landfill.

### Our Green Campaign

Under the banner of our Green Campaign, various programmes are put in place with the aim of engaging our stakeholders - employees, our business partners and the communities in acts of volunteering to be part of making lasting changes for a better planet.

In regularly partnering with our communities, we are able to share in best practices while broadening our awareness on sound environmental initiatives with the following programmes:

- (a) 5S Housekeeping and 3R Reduce-Reuse-Recycle;
- (b) Service Station Landscaping; and
- (c) Outreach Programme.

The 5S Housekeeping advocates the principle of 'Everything has a place and it should be at its designated place' via Sort-Straighten-Shine-Standardise-Sustain stages. 5S helps minimise waste, enhance utilisation of space for storage and creates ambience of neatness at our workplace. Every employee is encouraged to observe this principle as their personal contribution to preserving the environment. Taken collectively, these small individual

acts result in a great environment to work in where everything is neat and proper and giving the ambience of efficiency while contributing towards minimising waste and space.

Our 3R programme aims to reduce waste by encouraging the optimisation of resources. One such activity, already in place at our Sepangar Bay terminal and Port Dickson Refinery, is rainwater harvesting, where rainwater is used for general cleaning and gardening activities instead of using municipal water. Landscaping programmes and other initiatives to promote aesthetic and workplace beautification carried out at select service stations and operating facilities such as in our Bagan Luar and Kuantan terminals.

As we remain vigilant in protecting the environment through various internal programmes, we also recognise the importance of contributing to society through our Outreach Programmes.

These external activities are done in partnership with local municipalities and other external stakeholders. Our environmental outreach journey began in 2015 with our river preservation efforts along the scenic Cherating River in Pahang. Together with over 200 volunteers from the local community, students, Kuantan Municipal, and other bodies, we helped clean the river while at the same time planted 1,000 mangrove seed pods along the river bank. We also put up safety and environmental awareness boards along the most frequently visited part of the river to help inculcate love and care for the environment.

We continued this initiative last year under "Kempen Bumi Hijau", where we revisited our partnership with the Kuantan Municipal Council and planted an additional 300 trees at Taman Tasik Pelindung, Beserah, Kuantan, Pahang. Since 2016, we have planted a total of 800 trees at the area.



> Green Programme in Seberang Perai

## ENVIRONMENTAL SUSTAINABILITY

PDR was at the forefront of efforts to advocate for the environment. As a strategic partner of the Department of Environment, state of Negeri Sembilan, it organised environmental awareness programmes. In 2017, Negeri Sembilan was selected to host the National Level Environment Day Celebration. PDR sponsored the "Innovation" competition category (using recyclable materials) which was participated in by university students and school children from Negeri Sembilan. In the same event, PDR and the Retail group successfully coordinated a two-week household electronic waste (E-Waste) collection programme through six (6) Petron service stations in Seremban.

We also undertook other environmental programmes in 2017, working with the community and local councils in Port Dickson and Seberang Prai Utara to organise beach cleaning activities, while also planting 250 more trees.



> 2017 National Level Environment Day in Negeri Sembilan

### Oil Spills and Remediation

Petron is also proud to report that there have been no significant oil spills during the year, or any other instance of non-compliance with environmental laws and regulations which may result in fines or penalties or non-monetary sanctions. The Company-operated facilities have consistently complied with the standards set by the Department of Environment (DOE), resulting in no notice of violations.

PMRMB is a registered ordinary member of PIMMAG (Petroleum Industries of Malaysia Mutual Aid Group) and remains active in conducting oil spill trainings and field response exercises for employees and contractors. PDR and Distribution Terminal Operation management regularly send their Emergency Response Teams (ERT) to Oil Spill Response (OSR) courses for operators, supervisors and management, organised periodically by PIMMAG each year to enhance the team members' knowledge and skills in handling potential oil spills both on land and in the water.

In addition, plant personnel are also trained in firefighting. Fire drill training and simulations covering different scenarios of fire incidents were conducted quarterly throughout 2017. Various safety inspections and risk assessments were also conducted to ensure any potential fire scenarios are identified and decisively addressed.

For the Retail business operations, an Underground Risk Management programme is in place through a risk-based approach by pre-identifying aging pipelines and underground tanks that may potentially impact its surroundings in the event of leak. There are 20 such service stations that will undergo pipeline or underground tank replacement annually. However, if a leak incident happens prior to replacement, a remediation system is in place to mitigate impacts to the adjacent areas.

## ENVIRONMENTAL SUSTAINABILITY

### Product Responsibility

Fuel products manufactured and sold by Petron Malaysia adheres to the strict standards mandated by the different government agencies in Malaysia, such as the Department of Environment (DOE), Ministry of Domestic Trade, Co-Operatives and Consumerism (MDTCC) and Scientific and Industrial Research Institute of Malaysia (SIRIM).

In 2016, Petron Malaysia launched Blaze 100RON. Petron Malaysia is the first and only oil company in Malaysia to offer the RON 100 Euro 4M motor gasoline to motorists. The base fuel contains only 5ppm sulphur which can even meet the Euro 5 and Euro 6 sulphur standards of 10ppm. This ultra-low sulphur content contributes significantly towards a cleaner environment.

Blaze 100RON Euro 4M has a proprietary additive package which contains a detergent and combustion enhancer. The detergent, as its name suggests, cleans the dirty engine inlet system, valves and fuel injectors. This detergent continues to keep those parts clean which directionally results in cleaner burning hence reduces harmful emissions. On the other hand, the combustion enhancer improves combustion resulting in more complete burning and cleaner emissions.



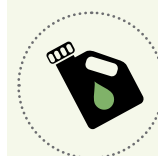
In Sept 2016, Petron introduced Turbo Diesel Euro 5, a cleaner Biodiesel B7 fuel with sulphur content of not more than 10ppm which meets the Euro 5 standard. This is a reduction of 50 times versus Euro 2M diesel Sulphur content. The low sulphur will contribute towards a cleaner environment and also allows diesel vehicles to be able to utilise the exhaust after-treatment device designed to clean up the diesel emissions.

For diesel sold at the retail stations, Petron Malaysia offers the Petron Diesel Max (B7), which meets the government legally mandated Malaysian Standard MS 123-1:2014, modelled after the European EURO2 diesel standard. Petron Diesel Max (B7) contains 7% Palm oil Methyl Ester (POME) by volume, which makes it a biodiesel, meeting the legal requirement of MS 123-1:2014, which supports the government's drive to progressively increase biodiesel content in diesel fuel in line with the world-wide drive to increase utilisation of biofuel for the future.

Our B7 Euro 5 demonstrates the Group's commitment towards protection of a sustainable environment. In line with continuous improvement, Petron Malaysia is working closely with the government to introduce a higher content biodiesel (B10) in the country.



Petron Malaysia is the **FIRST AND ONLY OIL COMPANY** in Malaysia to offer the RON 100 Euro 4M motor gasoline



PETRON introduced **TURBO DIESEL EURO 5** a cleaner Biodiesel B7 fuel

## ENVIRONMENTAL SUSTAINABILITY

### Product Stewardship (product impact on the environment)

All petroleum products sold by Petron Malaysia are accompanied by their respective Safety Data Sheet (SDS). The Safety Data Sheet provides user with safety information on the product including product composition, health and environmental impacts on humans and environment, safe handling of the fuel, as well as identifying and quantifying any hazardous chemical in the product. All Petron Safety Data Sheets comply with the latest Globally Harmonised Standard (GHS) on Safety Data Sheet Reporting Format.

#### Benzene, lead and sulphur contents in fuels



**Under the legally mandated MS 118-2:2005 (Euro2M) standard for 95RON gasoline fuel,** benzene level is set at 5% max, lead at 0.013% wt. max and sulphur level at 500 ppm max. All Petron Blaze95 fuel sold by Petron Malaysia fully comply with the benzene, lead & sulphur limits in this standard.



**Under the legally mandated MS 118-3:2011 (Euro4M) standard for 97RON gasoline fuel,** benzene level is set at 3.5% max, lead at 0.013% wt. max and sulphur level at 50 ppm max. All Petron Blaze97 fuel sold by Petron Malaysia fully comply with the benzene, lead & Sulphur limits in this standard.



**Under the legally mandated MS 123-1:2014 (Euro2M) standard for diesel fuel,** sulphur level is set at 500 ppm max. All Petron Diesel Max B7 fuel sold by Petron Malaysia fully comply with the sulphur limit in this standard.

Petron Malaysia implements a Product Quality Management System (PQMS), which, together with Control Management System (CMS) and Safety Management System (SMS), make up the umbrella Petron Malaysia Total Quality Management System (QMS) that encompasses the quality control processes of entire manufacturing and supply chain to ensure the products manufactured and sold by Petron Malaysia comply with all standards set by the government, and meet the highest quality standards. These limits are built into our product Certificate of Quality (CoQ). All products released for public consumption / usage must have a CoQ.

Under the Group, Port Dickson Terminal and Port Dickson Refinery achieved ISO QMS 9001:2015 certification in 2016. Progressing along in 2017, both Bagan Luar Terminal and Pasir Gudang JV Terminal also achieved ISO QMS 9001:2015 while Kuantan Terminal achieved the others as the first Petron Malaysia facility to achieve

Integrated Management System (IMS) that covers Quality, Environment as well as Safety and Health. With the certification, the public is assured that the sulphur and benzene levels in our automotive fuels are in full compliance with the limits imposed by the Government.





## SOCIAL SUSTAINABILITY



### A PLEDGE TO SOCIAL OBLIGATION

Petron believes in giving back to the society through solid social responsibility strategies that promote safety and harmony in communities where it is present.

We believe that by investing in social activities and being attentive to stakeholders we will be able to lay a solid foundation for our company to grow and achieve more success.

The bedrock of building our good corporate social performance stems from our management commitment to continuously integrate a social agenda into our mainstream operations. Every aspect of our operations takes into account the well-being of all our stakeholders, be it at our refinery, our terminals, our service stations, our offices and all our other facilities. Guided by this commitment, we initiate social programmes that we believe will:

- Make a positive impact to the society
- Promote a safe and healthy lifestyle
- Nurture progressive cultural values among our youths



Make a positive impact to the society



Promote a safe and healthy lifestyle



Nurture progressive cultural values among our youths

### OUR SOCIAL PROGRAMMES

#### Cultivating a Habit of Safety and Security

We continue to support the Royal Malaysia Police's (RMP) "United Against Crime" campaign which promotes personal safety and security. Under RMP's "Go-To-Safety-Point" (GTSP) programme, we have transformed Petron stations to become "safe havens" for motorists. These stations feature increased police presence, assistance corners at Treats convenience stores, and trained dealers and personnel.

## SOCIAL SUSTAINABILITY



> Road Safety event in Universiti Teknologi Malaysia

Under this programme, we also organised a team-building workshop in Langkawi, Kedah, providing refresher training for our northern based dealers and RMP officers. These activities helped foster stronger and better relationships among our dealers and the RMP.

We have also stepped up our GTSP programme by taking the initiative to launch an above-the-line safety awareness campaign to reach out to the community and promote safety. The campaign started out with safety awareness posters which are placed at strategic locations in our service stations.

We then took to the airwaves and spread our safety message through the Petron Traffic Updates which we do daily on Astro Radio. This is followed through with a 30-second social media video featuring Miss Malaysia 2016, Kiran Jassal, Petron's special brand ambassador. Miss Jassal's public safety awareness was uploaded on to our Facebook, Twitter and Instagram platforms. To further ensure that our safety awareness campaign reaches the community, we also developed window posters featuring Miss Jassal with various safety reminders and advice.

2017 also witnessed our continued partnership with the Road Safety Department in promoting road safety campaigns at schools and universities. Nearly 5,000 students from seven universities and institutes of higher learning throughout Malaysia participated in our Road Safety & Safe Riding Programme which featured an exciting "Amazing Race" concept that had students race through a series of challenges that enabled them to learn about road safety.

Apart from the Road Safety & Safe Riding Programmes at universities and institutes of higher learning, we also continued to organise Road Safety Schools Outreach Programme at Sekolah Menengah Kebangsaan Beserah, Kuantan, Pahang and also Sekolah Menengah Pekula Jaya, Sungai Petani, Kedah to further increase our efforts to engage youths in advocating road safety knowledge in Malaysia regarding traffic rules, regulations, safe passage and the correct use of roads.

We created a whole new approach to this year's road safety advocacy at schools where we used a more activity based method to increase students understanding. In 2017, almost 1,000 school children benefitted from our road safety programmes. By forging a new partnership with Motosikal dan Enjin Nasional Sdn. Bhd. (MODENAS),

## SOCIAL SUSTAINABILITY

we provided a live demonstration of safety riding skills by MODENAS and critical blind-spot areas on large vehicles where we brought in our petroleum tanker to show the students.

Finally, we organised two Road Safety Programmes in conjunction with the festive seasons of Chinese New Year and Hari Raya. These activities allowed us to conduct safety inspections for nearly 3,300 vehicles since proper maintenance is a vital part of Road Safety.



> 2017 Vision Petron winners

## CARING FOR OUR COMMUNITIES

Our host communities are vital to our sustainability efforts and we make sure to include and involve them in our CSR programmes.

### Inspiring future leaders through education

For over 20 years, through the evolution of three different companies, first under Esso, then under ExxonMobil and now Petron Malaysia, we have continued to work closely and supported the State Education Department and the State Government of Negeri Sembilan with nearly RM1.5 million to help encourage and inspire our future leaders to excel in academics, sports, and the arts.

In 2017, Petron once again was proud to co-sponsor the “Majlis Anugerah Insan Terbilang Negeri Sembilan 2017” where we recognised over 600 students, teachers and schools from the state for their excellence in sports, co-curricular activities, drug prevention, student affairs and Curriculum Centres.

### Building national unity and social development through the arts

At Petron, we believe in the importance of building national unity and social development. For us, one of the best ways to achieve this is by promoting local arts. Since 2013 Petron Malaysia has been committed to pursuing a national student art competition.

Through Vision Petron, the only national student art competition in Malaysia, we hope to inspire and nurture young Malaysians in the field of arts. Since its inception, Vision Petron has managed to draw more than 3,000 entries from students all over the country.

In 2015, Petron expanded the competition with a new category – videography thanks to the positive and continuous response from many young bright talents. The year 2017 marked the fifth year of our Vision Petron Art & Painting Competition. With the theme “Rediscovering the Ingenuity of Youth”, the competition drew 900 entries that year.



> 2017 Vision Petron winning entries

## SOCIAL SUSTAINABILITY

### Making a difference through volunteerism

Our ability to contribute to the well-being of our communities is further driven by the spirit of volunteerism. Through our Volunteerism in Action (VIA), we enable employees to make a positive difference in the lives of our stakeholders by donating time and effort for the implementation of CSR programmes.

In 2017, Petron Malaysia organised four employee engagement activities that tapped the enthusiasm of Petron Malaysia employees and partners. We kicked off the first VIA activity for 2017 in June with a collaboration with a nonprofit organisation Food Aid Foundation. Those who need to stay at the Universiti Malaya Medical Centre (PPUM) to care for their loved ones received *sahur* or pre-dawn hot meals in preparation for their fasting day. Nearly 40 Petron VIA volunteers cooked and delivered more than 400 packs to those caring for patients and members of the PPUM staff. More than RM5,000.00 was donated by Petron staff for the project.

On August 5, 2017, Petron VIA launched **"Let's Read,"** a volunteer programme aimed at improving English literacy rates in local communities. For the inaugural programme, we engaged with Sekolah Menengah Kebangsaan Convent Klang, Selangor and worked with 30 students every fortnight by reading with them and encouraging them to read and converse more in English.



> VIA Let's Read programme in SMK Convent Klang

The programme also provided an avenue for employees to donate quality English books which Petron VIA collected and distributed to schools in need of books for children. The programme culminated in November 2017 with a closing ceremony featuring a choral reading performance by the students.

Another first for Petron VIA was **Lighting Hearts & Homes.** With the help of the Petron Associate Programme, a management trainee programme for new hires, we brought cheer to three needy families in Pahang by providing them with new furniture, household items and new clothes so that they may also celebrate Deepavali with joy. This initiative saw our new hires working shoulder to shoulder with their senior colleagues to raise funds and organise the programme.

In November 2017, the VIA committee once again organised **Back-to-School,** our flagship programme at the Mydin Store in Seremban 2, Negeri Sembilan. Eighty students from 16 schools in and around Seremban and Port Dickson attended the activity together with their teachers, where they received a set of uniforms, shoes, bags and other school supplies. All items were sponsored by Petron employees, who personally presented the items to their chosen students.



## SOCIAL SUSTAINABILITY



> 2017 VIA Back to School programme in MyDin Seremban 2

Through our sustainability initiatives, we aim to be a stronger company whose presence also translates to fuelling education, environmental preservation, safety and security, and care for our communities. We strive to better the lives of our external stakeholders, while at the same time delivering timely and efficient service to our customers.

### Customer Focus

We aim to always give the Petron best experience to all our customers and we have several programmes in place to further improve our products and services. We believe that good customer experience leads to customer satisfaction and loyalty, and ultimately translates to increased revenue.

To improve customer service at site level, we developed programmes such as the Mystery Shopper Survey, Retail Excellence and Fuel Happy Games. These motivate and encourage our Dealers and Staff to give the best experience to our customers whenever they visit our service stations.

Moreover, we have a robust system in place that allow us to capture all customer feedback via PetronCare, where we monitor and track customer complaints from the time the case is logged until they are resolved. With PetronCare, our motto is to treat customers "RIGHT" in that all complaints are treated with respect and given the attention needed.

PetronCare received a total number of 3,259 customer feedback in 2017, an increase of 17% from previous year. Customer enquiries and feedback made up 93% of total customer feedback, which is up by 30% from 2016. Customer complaints meanwhile decreased from 443 to 209, with zero issues recorded on Petron's promotions. All enquiries were closed within the Service Level Agreement (SLA). However, there was a drop in closure rate for complaints mainly due to lengthy investigation time to fully resolve the issues with our customers.

PetronCare hotline and email remains the most convenient channel for customers to contact Petron, covering almost 85% of total feedbacks. Social media came second with an 11% share at 352 comments. In order to give better customer engagement, we set up our own social media group to manage these customers.

Rapid network expansion and aggressive marketing activities have sparked interest of customers and potential investors in Petron. This was reflected from the number of queries received on our Fleetcard and PMiles card programmes and Petron's station development and Dealership programme.

**PETRONCARE  
RECEIVED A TOTAL OF**

**3,259**  
customer feedbacks  
in 2017

**COMPLAINTS  
DECREASED FROM**

**443 to 209**  
with zero issues  
recorded on  
Petron's promotion

**PETRON COVERING  
ALMOST**

**85%**  
of total feedbacks in  
social media

## SOCIAL SUSTAINABILITY

### Retail DOSH Compliance

Safety is a core value for Petron Malaysia as it influences daily decisions at every level of our operations. We are committed to providing a safe work environment for our employees, contractors, service stations and the communities where we operate. Over the past several years, Petron Malaysia has emerged as a corporate leader in conforming to Occupational Safety and Health (OSH) regulatory requirements.

Petron Malaysia works closely with the Department of Occupational Safety & Health (DOSH) to implement OSH compliance and practice Petroleum (Safety Measures) Act (PSMA) 1984 at our service stations. Since early 2014, through our close collaboration with DOSH, Petron Malaysia helped validate the checklists through joint audits at service stations, provided training to all Petron service stations dealers on PSMA 1984, conducted self-audits on service stations on behalf of DOSH and participated in the team to develop the new Industry Code of Practice (ICOP) for service station operations.

PSMA 1984 takes a comprehensive approach towards managing personnel and process safety at service stations. It audits the integrity of equipment, procedures and training that prevents uncontrolled release of hydrocarbons and incidents. It checks on control measures to eliminate/mitigate risks associated with our operations. This structured process and procedures serve as safeguards to prevent incidents.



> 2017 DOSH Commendation Letter ceremony in Putrajaya

Effective emergency preparedness depends on competent response teams. DOSH validates service stations emergency response team, training drills and emergency response strategies on a range of possible scenarios, including simulated spills, fires, explosions, natural disasters and security incidents. Every site conducts emergency drills in accordance with regulatory requirements and Petron Malaysia guidelines.

Developing a culture of safety is a journey. For Petron Malaysia we continue to instill discipline and sharpen the focus of our Retailers to be consistently compliant with OSH requirements. Together we work to eliminate complacency and strive to be always at our best.



## ECONOMIC SUSTAINABILITY



March 31, 2012 marked a historical moment in the Malaysian downstream oil and gas industry when Petron Corporation, a downstream oil and gas major in the Philippines, acquired ExxonMobil's downstream oil and gas entities in Malaysia.

Petron entered a regulated and highly competitive market with its launch in Malaysia. The Petron brand was up against well-established brands, some of whom are multi-national majors with vast experience on the needs of the Malaysian consumers. However, Petron in Malaysia made up of the public-listed Petron Malaysia Refining & Marketing Bhd (formerly known as Esso Malaysia Berhad) and its privately owned sister companies Petron Fuel International Sdn Bhd (formerly known as ExxonMobil Malaysia Sdn Bhd) and Petron Oil (M) Sdn Bhd (formerly known as ExxonMobil Borneo Sdn Bhd) – was up to the challenge. Up against stiff competition, Petron in Malaysia realised that winning over the hearts and minds of the motoring public and its customers was the key to its success.

After just six years as a new brand entering the Malaysian market, Petron has gone from strength to strength. In a mere three years, Petron in Malaysia successfully refurbished and re-branded the 550 stations that it took over in 2012, adding fresh ideas and perspective to the concept of service stations. At the same time it also undertook a rapid and aggressive network expansion programme, increasing its retail network to over 600 stations at present and is expected to continue growing over the years. Coupled with new and improved fuel quality, innovative petroleum products, and enhanced customer service, Petron in Malaysia is slowly but surely increasing its market share. The Company's stockholders are also reaping the rewards of this change: Petron Malaysia Refining & Marketing Bhd. increased its profits to RM405 million in 2017 from RM238 million in the previous year; it also saw a steady growth in its share prices (at approximately triple its value in 2012), and increasing dividend payouts. Through the judicious management of its resources, Petron Malaysia Refining & Marketing Bhd significantly reduced its initial high debt level within just five years, delivering on its promise to its shareholders. Petron in Malaysia also continued to hire more employees to manage its growth even at a time when the industry as a whole slowed down. In 2018, Petron was awarded as the 'Most Valuable Brand' in the oil and gas sector. All these highlight the correct path that Petron in Malaysia is taking to ensure economic sustainability.



**WITHIN JUST 3 YEARS**

Successfully refurbished  
and re-branded  
**550 stations**



**NET INCOME**  
**RM405**  
million

## ECONOMIC SUSTAINABILITY



### BUT HOW WAS THIS ACHIEVED?

Our sustainable economic performance is anchored on sound management practices and carefully planned long-term strategies that are well executed, along with our resolve to succeed in the face of the various challenges that Petron Malaysia face.

To attain this, Petron Malaysia energised and motivated its greatest assets: its employees, made up of personnel with years of experience in the industry (both at ExxonMobil and Petron Corporation) and new ones recruited into the Petron 'family'. And at the core of every employee's drive to excel is a commitment to a vision and a set of goals. In 2012, Petron Malaysia came up with a new Vision and Mission Statement that set the tone for all its plans and strategies. These were further enhanced in 2016 when the Company engaged its employees to determine the key values to succeed in Malaysia.

The employees developed a Values Handbook called 'ExCITES' that set the six key values needed by Petron in Malaysia to achieve long term sustainability, namely:

**Excellence**

**Customer Focus**

**Innovation**

**Teamwork**

**Ethics**

**Safety**

In encouraging employees to craft the Handbook, Management provided the means to empower its employees by

giving them ownership of the process. Furthermore, having the desired values emanate from the employees guaranteed that each one will live these values in conducting their work. While the ExCITES project was Management driven, the employees, especially the younger generation viewed by Petron in Malaysia as its future leaders, formed, planned and executed the project as part of a cross functional Department team effort. Thus Management strategies and long-term plans are now embraced by employees who are equally driven to achieve success.

This is further boosted by efforts to enhance employee development. The Company continues to invest in training and education to ensure employee satisfaction within and outside the workplace. In 2017, employees underwent 22.57 man-hours of training or an equivalent of 2.8 days of training per employee. This ensures that our talents grow together with our expansion and thus allow us to remain resilient in this competitive business environment.



## ECONOMIC SUSTAINABILITY

The Company's succession plan through nurturing its future leaders are also part of the Company's sustainability strategy. To this end, Petron Malaysia embarked in 2017 on the Petron Associate Programme. Here trainees were selected from reputable universities and underwent a stringent selection process before being sent to various departments for short assignments to familiarise themselves with business operations. The programme aims to build a pool of young talents that are of the right fit and who share our vision, mission and values to fill various positions.

'Thinking out of the box', proper market research, and experience gained from its parent company in the Philippines drove Petron in Malaysia to develop its strategic plans. Efficient and proper allocation and utilisation of resources, and maximising potential of existing assets are key to Petron's success in Malaysia.

Petron in Malaysia also saw many opportunities for further business growth that were not previously considered. For one, Malaysia still provided a vast amount of untapped markets. This spurred an aggressive retail station network expansion in areas previously deemed not 'viable', as Petron rediscovered Malaysia's expansive and impressive road network, along with the rapidly growing demands from the motoring public. From this we developed the products to tailor-fit the customers' needs. Petron Malaysia introduced high quality innovative products such as the RON100 gasoline and

Euro5 Turbo Diesel, which both became market leaders. It introduced new Petron branded lubricants to the market to offer an entire menu of products for its customers. Households were introduced to the newly established 'Gasul' Liquefied Petroleum Gas. The customer base of its Aviation Fuel business at the Kuala Lumpur International Airport continued to expand and its Commercial petroleum product supply continued to strengthen.

### Efficiencies

Efficiencies were also developed in the delivery system with a revised fuel delivery/trucking system to boost efficiency and reliability. New pipelines and terminal storage facilities were also added to enhance our flexibility in managing product delivery while at the same time reducing demurrage cost.

### Refinery

Our refinery at Port Dickson likewise underwent strategic changes. Its once limited crude diet supply was enhanced with the use of a variety of compatible crudes that allowed refining margins to be stable. Upgrades were also made to meet new specifications and align with our expansion plans. Supply of products to Petron Malaysia also saw marked improvements, with diversified and more cost-efficient purchasing of crude and finished products.

### Engagement with contractors and suppliers

Engagement with contractors and suppliers also played a key role in our development.

Petron institutionalised policies to ensure that all dealings promote our business principles and code of ethics as a foundation for the way we do business. This meant conducting transactions on an arms-length basis as competitive willing buyer and seller, encouraging competitive bidding and making business decisions on the basis of quality, price, availability and service. Partnership must be anchored on honesty, fairness and openness. We also exert effort to support the local economy and as such, we give preference to Malaysian contractors and suppliers as much as possible.

The success achieved in just a few years laid the foundation for Petron Malaysia's long-term economic sustainability. However, to achieve continued sustainability, two key factors ensure we stay true to our design and path: Corporate Governance and Risk Management.

## CORPORATE GOVERNANCE

PMRMB's Board of Directors is committed in ensuring that the highest standards of corporate governance are practiced throughout the Company. The Board endeavours to protect and enhance shareholder value by fully supporting the practices laid out in the Malaysian Code of Corporate Governance 2017.

The Board Charter and the Management Committee Charter Petron Malaysia Refining & Marketing Bhd also spells out the roles and responsibilities of the Board and the Management Committee of Petron Malaysia Refining & Marketing Bhd. It also has a Nominating Committee and an Audit and Risk Management Committee with clearly defined roles and responsibilities as mandated by the Malaysian Code of Corporate Governance 2017. The Management Committee of Petron in Malaysia is comprised of all Department Heads, in addition to those who are Management Committee members of Petron Malaysia Refining & Marketing Bhd. This Committee meets every week to review the progress in all business and support areas and to manage any risks.

The Company has a written Standards of Business Conduct (SBC) in place that can also be accessed from the Company's website [www.petron.com.my](http://www.petron.com.my). The Code of Conduct contains policies and systems designed to create and support strong corporate governance, which includes guidelines on business ethics, conflicts of interest, alcohol and drug use, gifts and entertainment, harassment in the workplace and employees' outside directorships.

The SBC has been communicated to the Company's employees, contractors, and vendors, so that they have a clear understanding of the Company's expectations.

Periodic training is also carried out for employees, contractors and vendors to ensure understanding of our governance requirements.

As of 2017, all employees of Petron had undergone SBC training. New hires are also required to undergo a comprehensive and compulsory training on the SBC.

The Company seeks to employ ethical business practices without affecting consumer choice, pricing and market efficiencies. It has embedded within its SBC, a 'Fair Competition Policy' that reinforces the Company's commitment to compete fairly and ethically within the framework of applicable competition laws in all aspects of business.

Employees and officers must abide by anti-trust and other laws intended to ensure and maintain competition in the market place and deal with prohibited trade practices.

The SBC has a 'whistle-blower' system built in to ensure that any issue of non-compliance with the SBC is brought to the attention of the management without any reprisals against the 'whistle-blower'.

The internal audit function is provided by the Internal Audit Department of Petron Corporation. The Department is totally independent from management of Petron Malaysia.



*For a more in-depth discussion of Petron's ownership, capitalisation, corporate governance practices, and sales and revenue we invite you to access our 2017 annual report at [www.petron.com.my](http://www.petron.com.my).*

## RISK MANAGEMENT

The Board recognises that risks associated with managing a publicly-listed downstream oil company encompasses financial, foreign exchange, legal compliance, crude and product supply, distribution, environmental issues, industrial requirements, safety and managing the human resources of the Company.

### Risks can be mitigated by having effective internal controls which include the following key elements;



Realising the need for risk management associated with price volatility of crude and petroleum, Petron Malaysia has a highly effective hedging process (that is devoid of any speculative elements). A Commodity Risk Management Group composed of a dedicated team meets weekly to review its hedging strategy and position that need to be taken to protect the company's interests. Similarly, mindful of the effect of the fluctuating foreign exchange involving the Malaysian Ringgit and the US Dollar, hedging on US dollar is carried out to protect the interests of the company against payments to be made in US Dollar for purchases made.

Petron Malaysia also has a robust set of Business Continuity Plans that are reviewed periodically to ensure that any emergency or any unforeseen disruption that can impact operations are decisively managed.



For more information on our Risk Management, visit [www.petron.com.my](http://www.petron.com.my)

## AWARDS AND RECOGNITION FOR 2017

**Safety and security are part of Petron's DNA. As such, all Petron facilities, including our affiliate companies at Port Dickson Refinery, Port Dickson Terminal, Bagan Luar Terminal, Kuantan Terminal, Tawau Terminal, and Pasir Gudang JV Terminal, maintain exceptionally high standards in Occupational Safety and Health (OSH) and Environmental performance.**

As a result, our refinery and terminals have experienced zero LTI (lost-time incident) for nearly two decades. Facilities such as the Port Dickson Terminal, Bagan Luar Terminal, Kuantan Terminal, Pasir Gudang JV Terminal and Kuala Lumpur International Airport Aviation Depot are all recipients of the Grand and Gold Class Awards by the Malaysian Society for Occupational Safety and Health (MSOSH) as recognition for their occupational safety and health performance. Our Sepang Bay Terminal was recognised with the Prime Minister's Hibiscus Award (Anugerah Hibiscus Perdana Menteri), the premier private sector environmental award for business and industry in Malaysia.

Petron was also honoured with The Putra Brand Award's Silver Award for three years in a row despite being relatively new in the market.

The Putra Brand Awards is the premier awards in Malaysia and was launched in 2010 by the Association of Accredited Advertising Agents Malaysia (4As) in association with Malaysia's Most Valuable Brands (MMVB). The Putra Brand Awards recognises brand-building as an integral business investment, measured by consumer preference.

Other noteworthy accolades and awards from MSOSH and various organisations, government and business groups for 2017 are:



## AWARDS AND RECOGNITION FOR 2017

July 21<sup>st</sup>, 2017

### Malaysian Media Awards

Petron won silver in the category for “Best Use of Activation/Events”.

The annual event accords due recognition to media specialists & buyers for their creative use of advertising platforms.

### Social Media Week Awards 2017 Winners

Malaysia Social Media Week (MSMW) is a national event connecting people, content and conversations around emerging trends in social and mobile media.

For the very first time, Petron Malaysia was awarded as the Social Media Excellence winner under the Oil and Gas category.

April 9<sup>th</sup>, 2017

### Malaysia Power Brand Award

Petron emerged as the winner of the Power Brand Award 2017 which celebrates and recognises those who are building and leading successful, growing and dynamic brands.

November 2<sup>nd</sup>, 2017

### Putra Brand Awards

Petron Malaysia bagged the Silver Award under the Automotive – Fuel & Lubricants category.

December 1<sup>st</sup>, 2017

### Asia Automotive Appreciation Award

Petron was presented with the “Award of Excellence” for Corporate OEM category in the Asia Automotive Appreciation Awards during the Motonation event.

## 2017 AWARDS &amp; RECOGNITIONS – TERMINAL OPERATIONS

Category	Awards & Recognition	Award recipients
External Awards:		
 <b>Safety &amp; Health</b>	Malaysian Society for Occupational Safety & Health (MSOSH) GRAND – Superior OSH Performance	Kuantan Terminal
	Malaysian Society for Occupational Safety & Health (MSOSH) GOLD MERIT – Excellent OSH Performance	Pasir Gudang JV Terminal Port Dickson Terminal Sepangar Bay Terminal
	Malaysian Society for Occupational Safety & Health (MSOSH) GOLD CLASS I – Very Good OSH Performance	Bagan Luar Terminal KLIA Aviation Depot
	OHSAS 18001:2007 – Occupational Health and Safety Management System	Kuantan Terminal
 <b>Quality</b>	ISO 9001:2015 Certification – Quality Management System	Bagan Luar Terminal Pasir Gudang JV Terminal Kuantan Terminal
	ISO 9001:2015 Re-Certification – Quality Management System	Port Dickson Terminal
 <b>Environment</b>	ISO 14001:2015 Certification – Environmental Management System	Kuantan Terminal
	Prime Minister Hibiscus Award (PMHA) and Sabah State Award – Notable Achievement	Sepangar Bay Terminal
 <b>Quality Environment</b>	Malaysia Productivity Corporation (MPC) Quality Environment (5S) Certification	Sepangar Bay Terminal Pasir Gudang JV Terminal
Internal Awards:		
 <b>Terminal Operations (internal recognition by Petron Malaysia)</b>	Flawless Operations (Excellent performance in safety, health, environment, control & product quality)	Pasir Gudang JV Terminal KLIA Aviation Depot Kuantan Terminal Tawau Terminal Sepangar Bay Terminal Sandakan Terminal

## VIEW FORWARD

As we look back at all we have achieved thus far in our business as well as the areas of social engagement, we take pride in the strides we have made in the relatively short amount of time that we have journeyed. At the same time, we recognise there is still much to learn so we can do better. With this in mind, we must keep improving the way we execute our sustainable business practices and programmes so that we can constantly surpass our economic, social and environmental goals and continuously achieve growth. This gives us confidence to continue with our journey towards a sustainable future not only for us, but for all our stakeholders.

Even as we are constantly looking for opportunities to sustain growth and achieve short and long-term profitability, we remain dedicated to implement programmes and undertakings that ensure our downstream business is environmentally, socially and economically sustainable.

Petron Malaysia's dedication to social awareness and progress is evident in initiatives both internally and externally. We believe that we can help make a positive difference in the lives of those around us by including them in our success. We do this by playing vital roles in our communities, support educational programmes and charitable causes through the contributions and efforts of our employee volunteers.

Petron Malaysia aims to be a stronger company through our sustainability practices and initiatives, an organisation that is not only recognised or known for its commendable oil and gas business operations, but also an increased role in environmental preservation, safety and security efforts and social responsibility. Realising that, we will continue to demonstrate our unwavering commitment to the sustainability of not just our business, but also to the environment and community which we live in.



PETRON supports  
**EDUCATIONAL  
PROGRAMMES  
AND CHARITABLE**

causes through the contributions and efforts of our employee volunteers



PETRON provides a safe and secure haven for emergency victims to seek immediate assistance through the  
**"GO-TO-SAFETY-POINT" (GTSP)  
PROGRAMME**

## PETRON SUSTAINABILITY TECHNICAL WORKING GROUP

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Corporate Affairs :

**Dazrene Azmil Darus**  
**Aliza Azimah Ahmad**

Port Dickson Refinery :

**Izal Yahya**  
**Chin Yuan Kong**

Distribution :

**Yusaini Yusof**

Finance :

**Alexander Arroza**  
**Nur Fatnin Inche Mat**

Retail / Commercial :

**Mastura Othman**

Law :

**Hani Adyanti Ahmad**

Human Resource :

**Jamiah Ahmad**  
**Tengku Rowena Tengku Razali**

Corporate SSHE :

**Kan See Mun**  
**Mohd Fareed Mohd Daaim**

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**[www.petron.com.my](http://www.petron.com.my)**

PETRON MALAYSIA REFINING & MARKETING BHD  
(Company No. 3927-V)  
Level 12A, Menara I&P 1,  
No. 46 Jalan Dungun, Damansara Heights,  
50490 Kuala Lumpur, Malaysia.  
Tel: +603-20828400  
Fax: +603-20828578  
E-mail: [contactus@petron.com](mailto:contactus@petron.com)