

# **PETRON MALAYSIA REFINING & MARKETING BHD**

## **SUSTAINABILITY COMMITTEE CHARTER**

### **A. The Role of the Board Sustainability Committee**

The main roles of the Board Sustainability Committee are:

- (i) To assist the Board of Directors and/or the Chairman of the Board by reviewing the strategies, targets and programs and providing guidance to the Board of Directors/Chairman of the Board/Management on all matters relating to Petron Malaysia's Sustainability (including the Company's Economic, Environmental, Social and Governance) initiatives and activities thereby meeting the overall sustainability goals of the Company.
- (ii) To seek and ensure alignment of the Company's Sustainability efforts and reporting with the ultimate parent company and parent company (to the extent practicable taking into account Malaysian laws and regulatory directives).
- (iii) To provide an annual report of its activities to the Board of Directors and report its activities in the Company's Annual Report or in the Company's annual Sustainability Report (as applicable/appropriate).

### **B. Composition of the Board Sustainability Committee**

- (i) The Committee (as appointed by the Board of Directors) shall be comprised of:
  - (a) Two (2) Independent Directors; and
  - (b) Two (2) Executive Directors (one of whom shall be the Chief Executive Officer) or One Executive Director (who shall also be the Chief Executive Officer) and a Non-Executive Director.
- (ii) The Committee shall be assisted by (up to) three (3) Advisers, as recommended by Management and approved by the Board. The Advisers shall be from Senior Management of the Company or the parent company.
- (iii) The Members of the Committee shall elect one (1) from amongst them to be appointed as Chairperson of the Committee and recommend the same to the Board of Directors for formal appointment.
- (iv) No Alternate Director on the Board of Directors may be appointed as a Member of the Board Sustainability Committee.

### **C. Responsibilities of the Board Sustainability Committee**

- (i) Governance of the Company's Sustainability strategies, priorities and target setting.
- (ii) Identification of Sustainability related risks (and opportunities) and the strategies employed to manage of such risks (or to leverage on opportunities).

- (iii) Ensure the Board and Management are kept current on the Sustainability requirements as recommended by Regulators and as expected in the market.
- (iv) Ensuring the roles and responsibilities of the Sustainability Council and Technical Working Group are executed per plans and meet the targets and expectations set by the Board Sustainability Committee.
- (v) Review and endorse sustainability related matters for the Board's approval, where necessary.
- (vi) To review the annual Sustainability Report of the Company.

#### **D. Meetings**

- (i) The Board Sustainability Committee shall meet at least four (4) times a year (in a 12-month calendar cycle). The schedule of Meetings shall be set, where possible, in advance for the year.
- (ii) The Board Sustainability Committee may meet on an *ad hoc* basis as and when deemed necessary. Such meeting(s) may be requisitioned by the Board Sustainability Committee or by Management.

#### **E. Consultants/Training**

- (i) The Board Sustainability Committee, in consultation with and on the recommendation of the Sustainability Council, may engage and retain the services of consultants (on such terms as determined by the Board Sustainability Committee) to provide advice and to assist the Board Sustainability Committee in discharging its responsibilities.
- (ii) The Board Sustainability Committee may request for training on matters pertaining to Sustainability and seek the same training be provided to the Sustainability Council/Senior Management/Technical Working Group.

#### **F. Review of Charter**

- (i) The Board Sustainability Committee Charter shall be reviewed at least once every three (3) years.
- (ii) This Charter may be updated on an *ad hoc* basis as and when deemed necessary due to new regulatory/market requirements.
- (iii) This Charter was reviewed/approved on 27th December 2022