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PETRON PARTNERS WITH KLEAN FOR A SUSTAINABLE FUTURE

The future of Plastic Recovery is here with Malaysia's first Al-Driven Reverse Vending Machine.

KUALA LUMPUR – Petron Malaysia has recently installed an artificial intelligence (AI) based reverse vending machine (RVM) at its Lebuh Bandar Utama service station in an effort to promote plastic recycling. The Company joined forces with Klean Malaysia to encourage more people to recycle via a digital container deposit system. Customers can deposit plastic food containers, polyethylene terephthalate (PET) bottles, and aluminium cans at the RVM and collect points via the Klean Recycling App for voucher redemption.

The strategic partnership marks a new initiative by Petron Malaysia to amplify its environmental sustainability efforts. The objective is to foster a shift in recycling behaviour, which is usually the first step towards a circular economy. This aligns with the Company's commitment to support the United Nations Sustainable Development Goals 11^1 and 12^2 and the Malaysia Plastics Sustainability Roadmap 2021-2030 towards plastic circularity.

Shaliza Mohd Sidek, Head of Retail Business Petron Malaysia, said, 'Plastics remains as a high usage in homes and businesses today despite its toxicity and contributions to pollution. As it is a cheap and convenient alternative; it is often used at the expense of the environment. For instance, we use it for packaging to protect food from damage in transit and preserve it before it reaches supermarket shelves. So, the key strategy here is to increase public awareness of

¹ United Nations Sustainable Development Goal 11– Sustainable Cities and Communities

² United Nations Sustainable Development Goal 12 – Responsible Consumption and Production

responsible plastic consumption and ensure waste plastics are recovered and diverted from landfills. At Petron, we are aware of the rising of plastic waste as Malaysia is reportedly one of the top 10 countries in the world with the highest plastic waste³. Our collaboration today with Klean Malaysia is a game-changer in recycling. We are hopeful that the Klean RVM installed at our service stations will play a part in increasing public understanding and shaping community perceptions of how to dispose of plastic responsibly.'

Petron Malaysia is not new to plastic recycling. In December last year, its service station dealers in the southern region initiated a 3-month "Rehydrate and Recycle" Campaign to educate its customers as responsible plastic users. At the end of the campaign, they collected 255 kilograms of plastic bottle caps and re-purposed them into 16 benches. Those benches made of recycled plastics were then donated to the Johor state Government for tourism usage.

Nadia Othman, the service station manager of Petron Lebuh Bandar Utama, said, 'We take pride in being the first Petron station to deploy the RVM after undergoing meticulous site feasibility and scoping. This decision was based on our geographical criteria, considering the higher density of the neighbourhood. This state-of-the-art machine streamlines the process of depositing empty plastic bottles and cans and helps educate our local communities to spur their plastic recycling actions.

The AI-driven RVM is backed by a machine learning mechanism, allowing it to detect the type of container deposited immediately. On the backend, RVM tracks and collects real-time data such as the number of recyclers, quantities of plastic and aluminium deposited in the machines, and the estimated carbon saved from the environment, which helps to identify the impact on the environment. In addition, Klean is the sole Company to secure a 100% tax-deductible status from the Malaysian Ministry of Finance in the RVM ecosystem industry.

³ Malaysia in world's top 10 for throwing plastic waste and rubbish in the ocean

"We are excited to collaborate with like-minded partners like Petron Malaysia to protect the environment for a sustainable future. We are the first RVM ecosystem attached with a rewarding scheme. Today, Klean has installed over 60 RVM machines in Malaysia, strategically placed in highly populated areas such as schools, airports, transport hubs and shopping malls. We aspire to broaden our network of machines and extend our machine coverage to more Petron service station locations, reaching out to more communities. We are here to push for behavioural change towards recycling through education and incentivisation, with the ultimate aim of achieving zerowaste to landfill," said Syed Zain Almohdzar, the Co-founder or Chief Operating Officer of recycling platform Klean.

Over the next few months, Petron plans to expand the installation of machines to more service station locations. A total of 100 locations in the Klang Valley are in the pipeline, and Petron aims to capitalise on the opportunity to nurture further environmental sustainability within the ecosystem.

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About Petron Malaysia

Petron Malaysia is part of Petron Corporation in the Philippines, an emerging and rapidly evolving Asian oil company. Petron Corporation joined Malaysia's dynamic and progressive market with the acquisition of ExxonMobil's downstream business in March 2012.

Petron Malaysia owns and operates Petron Port Dickson Refinery (PDR), producing a wide range of petroleum products which include gasoline, diesel, liquefied petroleum gas (LPG) and aviation fuel. Our world-class fuels are distributed from 10 strategically located depots and terminals of Petron subsidiaries in MalaysiaTo more

more than 770 Petron service stations nationwide. Our Treats convenience stores provide one-stop service experience to travelers on the road.

Our LPG brand, Petron Gasul provides efficient energy for Malaysian households. For convenience, Gasul is now available for cash and carry at selected Petron service stations.

Beyond our business agenda, we take our corporate and social citizenship to heart by supporting safety, environment and education programmes to ensure sustainability and contribute to social development. Through its volunteerism programs, Petron and its employees championed many local causes mostly to contribute to local social development.

Petron Malaysia is committed to its vision to be the leading provider of total customer solutions in the oil sector and allied businesses.

About Klean Malaysia

KLEAN is a sustainability ecosystem that is built on a platform of a network of Smart Reverse Vending Machines ("RVMs") to drive behavioural change by incentivising people to recycle. KLEAN also provides advertising and branding opportunities for companies looking to get into the sustainability space.

By investing in this branding opportunity, companies will assist in funding KLEAN's mission of container recovery, expand its footprint of RVMs and scale its operations across the region. KLEAN currently has RVM footprints in Malaysia, Indonesia, Singapore and Fiji.

Container deposit schemes ("CDS") have proven to be a successful model for countries who have adopted them. Countries with deposit return schemes tend to recycle between 80% and 95% of their plastic bottles(1). At KLEAN, we strive to create our own version of a CDS through collaborative partnerships with corporates.

(1) source: https://www.bbc.com/news/science-environment-43571269