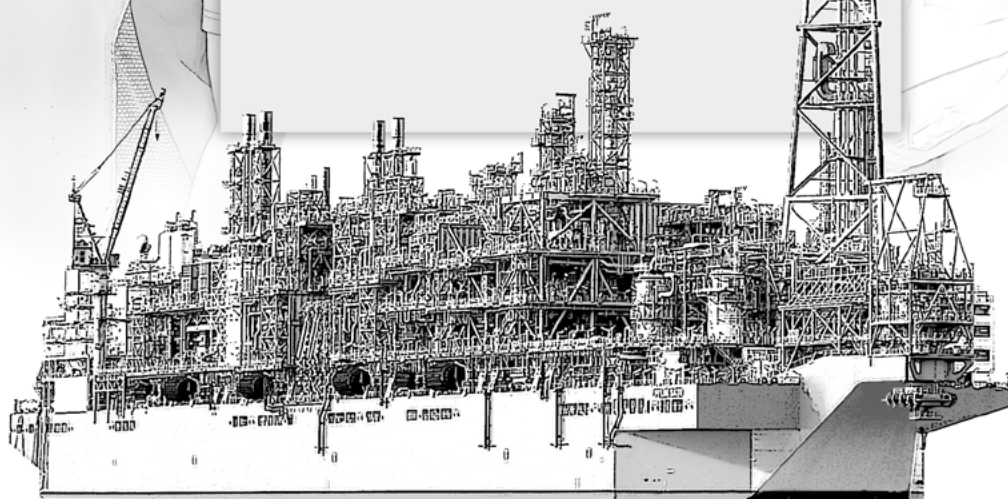




**PETRONAS**

—  
MOVING  
FORWARD  
TOGETHER  
—

ANNUAL REPORT 2017







## **MOVING FORWARD TOGETHER**

The cover of our Annual Report is a celebration of the diverse people upon whom we rely to steer us through the vagaries of our complex industry.

We show the many different roles within our organisation, and at the same time there is a clear sense of equality, of cohesiveness and of the ease with which we work together.

We chose pencil drawings to impart our simple message - that whilst we operate in a fast-paced, technology-driven industry where change and agility are integral to success, we also stay true to our Shared Values which enable us to move forward together.

### This Annual Report combines our financial and non-financial reporting.

The consolidated financial statements of the PETRONAS Group as at 31 December 2017, comply with the International Financial Reporting Standards (IFRS) valid at the closing date and with the provisions of the Malaysian Financial Reporting Standards (MFRS). Our reporting is also aligned with international guidelines and recommendations.

At PETRONAS, we see reporting as an ongoing and evolving process, not just as an annual exercise. We expect to evolve further still and invite your feedback on this Report, as well as our approach to reporting at [digital.comm@petronas.com](mailto:digital.comm@petronas.com).

The PETRONAS Annual Report 2017 is available in both print and online versions.



The online version of PETRONAS Annual Report 2017 can be found at <http://www.petronas.com.my/investor-relations/Pages/AnnualRepTimeline.aspx>





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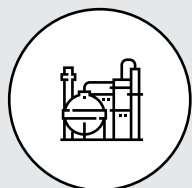
## PETRONAS AT A GLANCE

### UPSTREAM

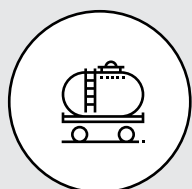


See Upstream pages 63 to 65.

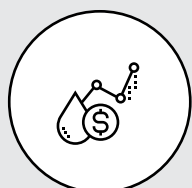
### DOWNSTREAM



Total LNG sales volume of  
**30.72**  
million metric tonnes

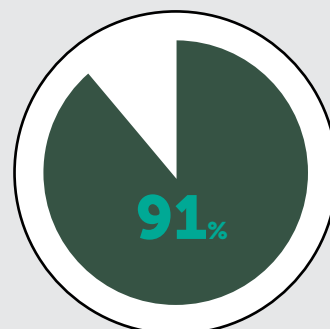


**443** BCE LNG loadable  
delivered from the PETRONAS  
LNG Complex in Bintulu, Sarawak

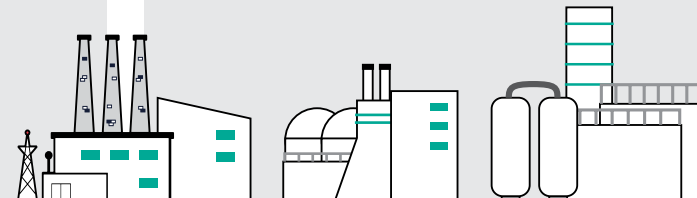
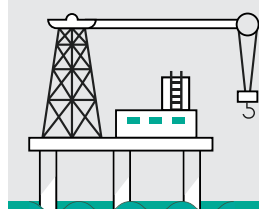
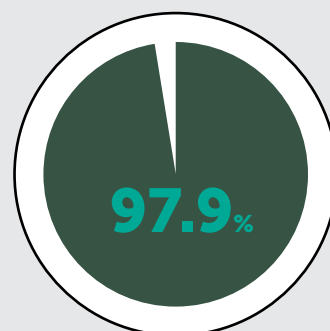


Average production  
**2,320** kboe/d

#### Plant Utilisation



#### Reliability

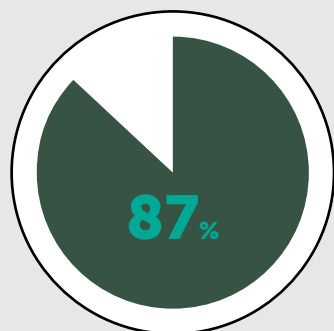


**>>Petroleum Nasional Berhad (PETRONAS)  
is Malaysia's national oil company and is on  
track towards becoming a leading oil and gas  
multinational of choice, ranked amongst the  
largest corporations in the world.**

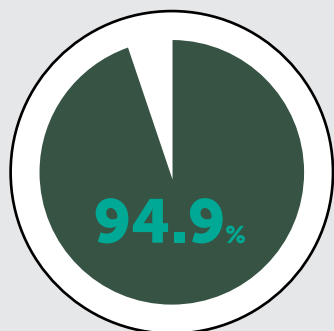


See Upstream pages 66 to 69.

### Pengerang Integrated Complex Completion\*



### Overall Equipment Effectiveness (OEE)



\* Status as at March 2018

Downstream recorded 227 million manhours, **60% higher compared to last year**

PETRONAS' Retail business recorded **the highest unit margin in 5 years**, contributed by higher fuel volume and convenience income

Expanded availability of **the new PETRONAS Dynamic Diesel Euro 5** across Peninsular Malaysia and Sarawak

PETRONAS Chemicals Fertiliser Sabah Sdn Bhd (SAMUR) **began commercial operations in May 2017**

**4-Time Consecutive World Constructors' Champion** in Formula One™



We deliver energy efficiently and reliably, having built capabilities across every stage of the oil and gas value chain. We maximise the value of every molecule through our fully integrated business model. We continue to strengthen our portfolio of conventional and unconventional resources, broaden our offering of diverse petrochemical products and maintain our track record of successful project delivery.

As we progress towards a low-carbon energy future, we continue to leverage technology, technical capabilities and our diverse, resilient and competent workforce to sustainably deliver energy to the world.

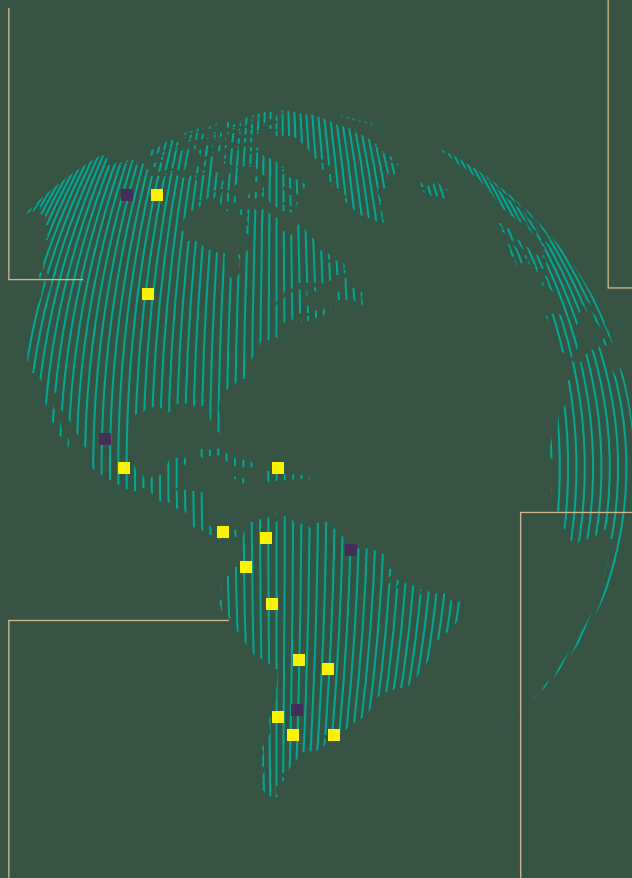


# PETRONAS AROUND

## NORTH AMERICA

**UPSTREAM** • **Canada** – (Unconventional) Development & Production  
• **Mexico** – Exploration

**DOWNSTREAM** • **Canada** – Lubricants  
• **Guatemala** – Lubricants  
• **Mexico** – Lubricants • **Honduras** – Lubricants  
• **El Salvador** – Lubricants • **Costa Rica** – Lubricants  
• **Dominican Republic** – Lubricants  
• **United States of America** – Petrochemicals, Lubricants



## LATIN AMERICA

**UPSTREAM** • **Suriname** – Exploration • **Argentina** – (Unconventional) Development & Exploration

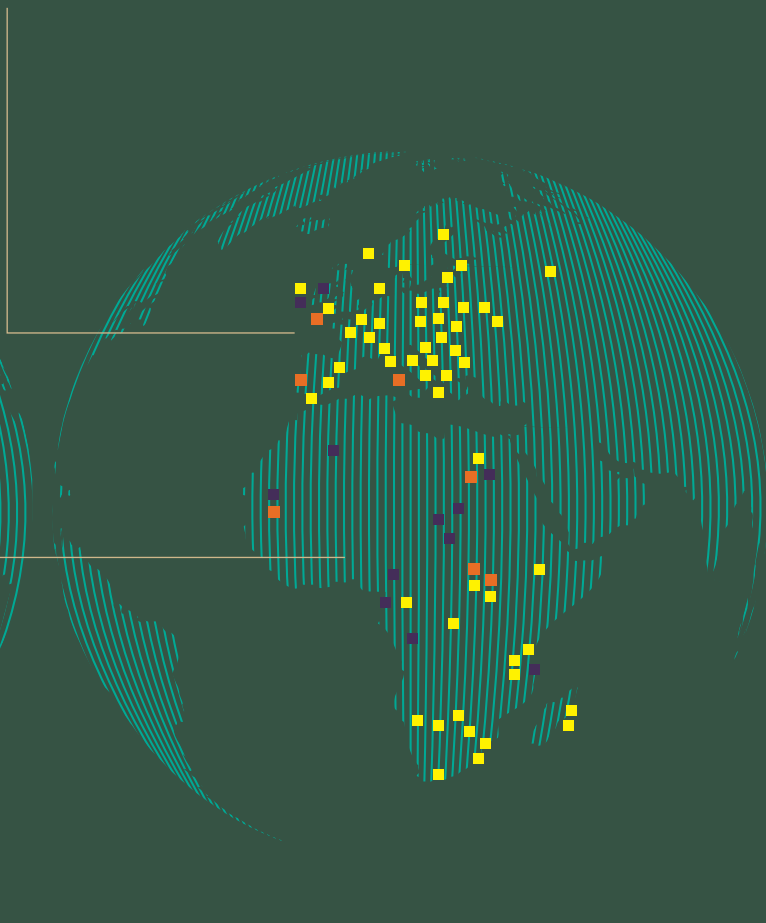
**DOWNSTREAM** • **Argentina** – Lubricants  
• **Bolivia** – Lubricants • **Brazil** – Lubricants  
• **Chile** – Lubricants • **Colombia** – Lubricants  
• **Ecuador** – Lubricants • **Guyana** – Lubricants  
• **Paraguay** – Lubricants • **Peru** – Lubricants  
• **Suriname** – Lubricants • **Uruguay** – Lubricants

## EUROPE

**UPSTREAM** • **Ireland** – Production • **United Kingdom** – LNG & Gas Trading, Gas Storage

**DOWNSTREAM** • **Austria** – Lubricants • **Belgium** – Lubricants • **Bulgaria** – Lubricants  
• **Czech Republic** – Lubricants • **Denmark** – Lubricants • **Finland** – Lubricants  
• **France** – Lubricants • **Germany** – Lubricants • **Greece** – Lubricants • **Hungary** – Lubricants  
• **Italy** – Lubricants • **Moldova** – Lubricants • **Norway** – Lubricants • **Poland** – Lubricants  
• **Portugal** – Lubricants • **Romania** – Lubricants • **Russia** – Lubricants • **Slovakia** – Lubricants  
• **Slovenia** – Lubricants • **Spain** – Lubricants • **Sweden** – Lubricants  
• **Switzerland** – Lubricants • **United Kingdom** – Lubricants • **Netherlands** – Lubricants

**PROJECT DELIVERY & TECHNOLOGY** • **Italy** • **Spain** • **United Kingdom**



## AFRICA

**UPSTREAM** • **Algeria** – Production • **Angola** – Exploration • **Chad** – Production  
• **Egypt** – Development, Production & LNG • **Gabon** – Exploration  
• **Republic of Sudan** – Development & Production  
• **Republic of South Sudan** – Development & Production

**DOWNSTREAM** • **Cote D'Ivoire** – Lubricants • **Algeria** – Lubricants • **Angola** – Lubricants  
• **Botswana** – Retail, Lubricants • **Burundi** – Lubricants • **Cameroon** – Lubricants  
• **Democratic Republic of the Congo** – Retail, Lubricants • **Gabon** – Retail, Lubricants  
• **Ghana** – Retail, Lubricants • **Kenya** – Retail • **Lesotho** – Retail, Lubricants  
• **Lesotho** – Retail • **Malawi** – Retail, Lubricants • **Mali** – Lubricants • **Mauritania** – Lubricants  
• **Mauritius** – Retail • **Morocco** – Lubricants • **Mozambique** – Retail, Lubricants  
• **Namibia** – Retail, Lubricants • **Reunion** – Retail, Lubricants • **Rwanda** – Retail, Lubricants  
• **South Africa** – Refinery, Retail, Lubricants • **Swaziland** – Retail  
• **Tanzania** – Retail, Lubricants • **Togo** – Lubricants • **Tunisia** – Lubricants  
• **Zambia** – Retail, Lubricants • **Zimbabwe** – Retail

\*\*In Nov 2017, Vivo Energy agreed to enter into a share transaction with Engen

**PROJECT DELIVERY & TECHNOLOGY** • **Egypt** • **Mauritania** • **Republic of South Sudan**  
• **Republic of Sudan**



# THE WORLD

## MIDDLE EAST

**UPSTREAM** • Iraq – Development & Production

**DOWNSTREAM** • Egypt – Lubricants  
• Iraq – Lubricants • Jordan – Lubricants  
• Saudi Arabia – Lubricants  
• United Arab Emirates – Lubricants  
• Iran – Lubricants

### PROJECT DELIVERY & TECHNOLOGY

• Iraq • United Arab Emirates

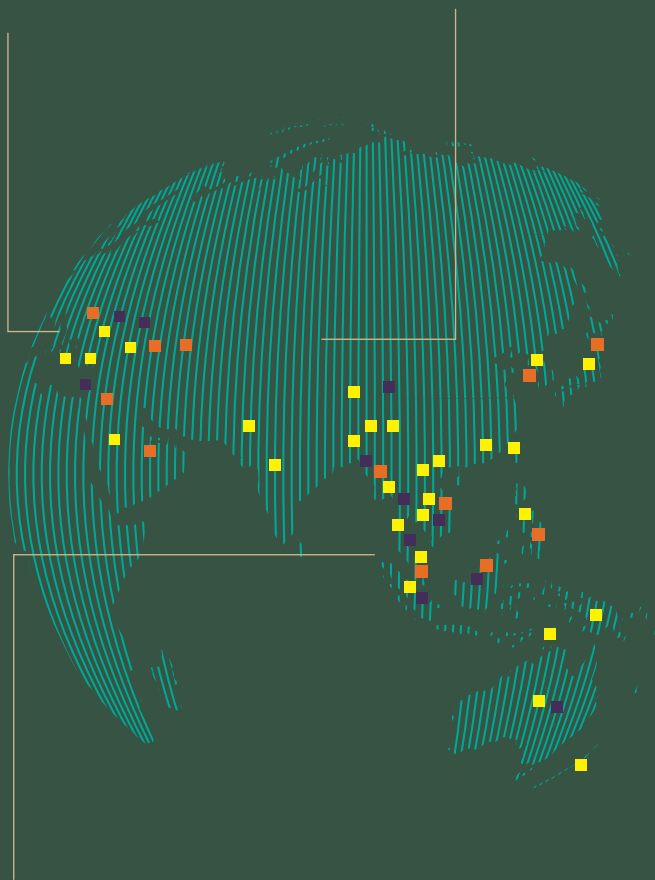
## CENTRAL ASIA

**UPSTREAM** • Azerbaijan – Development & Production • Turkmenistan – Development & Production

**DOWNSTREAM** • Turkey – Lubricants  
• Turkey – Lubricants

### PROJECT DELIVERY & TECHNOLOGY

• Azerbaijan • Turkmenistan



## ASIA PACIFIC

**UPSTREAM** • Australia – Exploration, Development, Production & LNG  
• Brunei – Exploration & Development • Indonesia – Exploration, Development & Production  
• Japan – LNG Marketing • Malaysia – Exploration, Development, Production & LNG  
• Malaysia–Thailand Joint Development Area – Exploration, Development & Production  
• Myanmar – Exploration, Development & Production • Vietnam – Production

**DOWNSTREAM** • Australia – Petrochemicals, Lubricants • Bangladesh – Lubricants  
• Cambodia – Lubricants • China – Petrochemicals, Lubricants  
• India – Petrochemicals, Lubricants • Indonesia – Petrochemicals, Lubricants  
• Japan – Petrochemicals, Lubricants • Malaysia – Petrochemicals, Retail, Refinery, Lubricants  
• Myanmar – Lubricants • Nepal – Lubricants • New Zealand – Petrochemicals, Lubricants  
• Pakistan – Lubricants • Philippines – Petrochemicals • Sri Lanka – Lubricants  
• Singapore – Petrochemicals, Lubricants • South Korea – Petrochemicals  
• Taiwan – Petrochemicals • Thailand – Petrochemicals, Lubricants  
• Vietnam – Petrochemicals, Lubricants

**PROJECT DELIVERY & TECHNOLOGY** • Brunei • China • India • Indonesia • Japan  
• Malaysia • Myanmar • Philippines • South Korea • Vietnam

## OUR WORKFORCE



### PETRONAS Employees by Region

● Africa	8.2%
● Asia	85.1%
● Australia & New Zealand	0.1%
● Commonwealth of Independent States	1.3%
● Europe	2.3%
● Middle East	1.8%
● North & South America	1.2%

**Total Employees** **49,911**

Within Malaysia 82.0%

Outside Malaysia 18.0%

### Legend

→ UPSTREAM

→ DOWNSTREAM

→ PROJECT DELIVERY & TECHNOLOGY

## OUR PROFILE

## VISION

# A LEADING OIL AND GAS MULTINATIONAL OF CHOICE

## MISSION

We are a  
business entity

Oil and gas is  
our core business

We add value  
to this resource

We contribute to the  
wellbeing of society

## SHARED VALUES

## LOYALTY

Loyal to corporation

## INTEGRITY

Honest and upright

## PROFESSIONALISM

Strive for excellence

## COHESIVENESS

United, trust and  
respect for each other