

## KERATAN AKHBAR

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MUKA SURAT : <https://www.nst.com.my/news/nation/2022/12/861164/petronas-committed-net-zero-carbon-emissions-2050>

### PETRONAS committed to net zero carbon emissions by 2050



PETRONAS, in conjunction with Neste Malaysia, used sustainable aviation fuel in a Malaysia Airlines aircraft.

**KUALA LUMPUR:** In tackling climate change, corporations and governments must show strong resolve to cut emissions, and rethink strategies and operating models.

Leading the charge in Malaysia is global energy company PETRONAS, which has set its own pathway to achieve Net Zero Carbon Emissions by 2050 (NZCE 2050).

PETRONAS vice-president and chief sustainability officer Charlotte Wolff-Bye said the corporation is relying on climate science to chart NZCE 2050. It understands the urgency of reducing emissions as quickly as possible to help limit the global average temperature rise to well below 2°C above pre-industrial levels.

She said the company already had carbon commitments in place as early as 2012, which put it on the road to reducing emissions.

"In the last 10 years, we have reduced emissions by around 17.5 million tonnes of carbon dioxide equivalent, but we still have a long way to go."

PETRONAS is targeting to cap emissions at 49.5 million tonnes of carbon dioxide equivalent from its Malaysian operations by 2024, and a 50 per cent reduction in methane emissions from group-wide natural gas value chain operations by 2025.

"I think what is important to note here is that these near-term targets are stretch targets.

"The recommendation by the Intergovernmental Panel for Climate Change to peak emissions before 2025, is exactly what we aim to do and to reduce emissions from operations and the energy consumed by 25 per cent by 2030."

Wolff-Bye added that PETRONAS has put in place measures to achieve near-term targets.

"So what we have done already, for instance, in our upstream division, we have set up a unit that we call the carbon management division.

"We've also earmarked capital expenditure from 2022 to 2026 to support both decarbonisation as well as investment in cleaner energy solutions and aligning our top management scorecard with emission reductions."

Wolff-Bye said collaborations are ongoing, with efforts to reduce emissions across the value chain from vendors to consumers.

"Our operational emissions – Scope 1 and Scope 2 – are relatively small in magnitude in comparison with Scope 3. Therefore, it's important to extend our emission reduction efforts across the value chain from suppliers to end consumers, and that's where it accounts for the majority of the organisation's carbon footprint.

"We are working with our vendor community to raise awareness of decarbonisation and also providing a conducive environment to support them in emission reduction by collaborating with financial institutions and regulators."

PETRONAS is also committed to providing cleaner energy solutions.

"We invest in new and cleaner energy solutions such as renewables, hydrogen, green mobility and biofuels and other synthetic fuels."

PETRONAS, in conjunction with Neste and Malaysia Airlines, is using sustainable aviation fuel, a combination of used cooking oil and conventional jet fuel, in the airline's aircraft.

"December last year marked the first Malaysia Airlines-operated cargo flight from Amsterdam to Kuala Lumpur to use the fuel, and in June this year, it fuelled a passenger flight from Kuala Lumpur to Singapore."

She added that biofuels are increasingly playing a bigger role, especially in the automotive industry. With Formula One requiring the use of only sustainable fuel from 2026, PETRONAS will begin providing biofuels through partnership with the Mercedes AMG PETRONAS Formula One team.

Challenges such as funding and public financing are hampering the acceleration of clean energy development. Therefore, there is an urgent need for policy and regulatory reforms to incentivise financial institutions and others to increase investments in this space.

Wolff-Bye said that PETRONAS is a formidable company, and one of the pioneers in developing the hydrocarbon sector in Southeast Asia.

The company has set even bolder targets, committing very heavily to investing in clean energy solutions, which are critical for the energy transition and to decarbonise the energy system.

"We are looking at electrification and carbon capture and storage, building on the company's strong competence.

"I believe that PETRONAS' unique skill set will be very important in developing this new energy system and that's why the company, as well as the sector as a whole, will be critical in taking the world into the next generation of energy systems," she added.