

Enhanced CoCHR 2024

PETRONAS Contractors Code of Conduct on Human Rights (CoCHR)

In compliance with PETRONAS Human Rights Policy, we seek to work with contractors who share our values of integrity, are committed to fighting bribery and corruption, and contribute to sustainable development.

PETRONAS requires its contractors to:

1. Respect internationally recognised human rights, complying with PETRONAS' Code of Conduct and Business Ethics (CoBE) and all relevant legal requirements.
2. Take reasonable steps to ensure that policies and guidelines with respect to human rights are in place and adhered to by any party performing work and/or business for or on behalf of PETRONAS. These policies and guidelines shall include labour rights, workplace health and safety, security, and conditions of employment. These policies and guidelines shall be made known to employees, workers, and contract personnel in languages they understand.
3. Sign an attestation confirming compliance with the CoCHR.
4. Identify, mitigate, and address human rights risks, at a minimum on risks relating to forced labour, child labour, labour rights, non-discrimination, freedom of association, and humane treatment ("material risks").
5. Provide human rights awareness training to employees, workers, and contract personnel and ensure that all employees, workers, and contract personnel providing works or services to PETRONAS attend the training.
6. Establish a grievance mechanism for its employees, workers, contract personnel and any party involved in providing works or services to PETRONAS. This grievance mechanism shall be made known to them and in languages they understand. The grievance mechanism shall have appropriate follow-up measures while ensuring that the identity of the complainant is protected.
7. Systematically close actual and potential adverse human rights impacts through time-bound corrective action plans.
8. Provide access to remedy and cooperate in the resolution process of impacted stakeholders where the contractors have caused or contributed to adverse human rights impact.
9. Take reasonable steps to embed safeguards for human rights in supply chain processes; ensure appropriate governance frameworks are applied to non-compliant high-risk contractors and subcontractors.
10. Provide timely feedback to PETRONAS regarding human rights performance as gathered through personnel engagements, questionnaires and other appropriate means as required.

Enhanced CoCHR 2024

In line with the above, contractors shall ensure adherence to the following material risks:

1. Forced Labour, by not engaging or employing people, under any circumstances, against their own free will or engaging in bonded labour/debt slavery.
2. Child Labour, by not employing children below the legal minimum working age requirement of any country.
3. Labour Rights, by upholding the rights and welfare of their employees, workers, and contract personnel (both local and foreign) through compliance with all applicable laws and agreements related to compensation and working conditions. This includes adherence to minimum wage, overtime pay, legally mandated benefits, and the maximum number of working hours. Contractors must also respect local laws or collective agreements that govern overtime work and holiday work, ensuring that their operations do not exploit employees, workers, and contract personnel and provide them with fair compensation for their labour.
4. Non-Discrimination, by not engaging in any form of unlawful discrimination based on race, ethnicity, colour, age, gender, gender identity or expression, sexual orientation, political beliefs, citizenship, national origin, religion, disability, parental status, economic/class status, or unrelated characteristic in hiring and employment practices.
5. Freedom of Association, by respecting the legal rights of employees, workers, and contract personnel to become members of a labour union or otherwise.
6. Humane Treatment, by respecting rights of employees, workers, and contract personnel and ensuring no harsh and inhumane treatment, including any form of mental or physical coercion, or verbal abuse of employees, workers, and contract personnel.

PETRONAS will assess contractors' compliance from time to time. Failure by contractors to comply with the requirements set out in the CoCHR may result in actions taken by PETRONAS, including terminating the non-complying party's relationship with PETRONAS and other measures.

The CoCHR applies to any parties performing work or services for or on behalf of PETRONAS and those holding PETRONAS' license and/or registration. It is the contractors' obligation to ensure that any parties performing work and/or business to PETRONAS for or on its behalf adhere to the CoCHR as well.