



ASEAN HSSE
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CONFERENCE & EXHIBITION
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ISTANA HOTEL, KUALA LUMPUR
MALAYSIA

"Operational Excellence Through HSSE Innovation"

ADVOCATING HUMAN RIGHTS IN SUPPLY CHAIN



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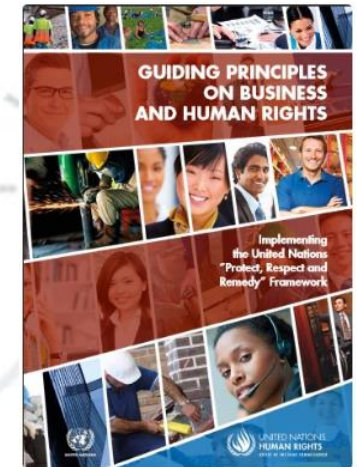
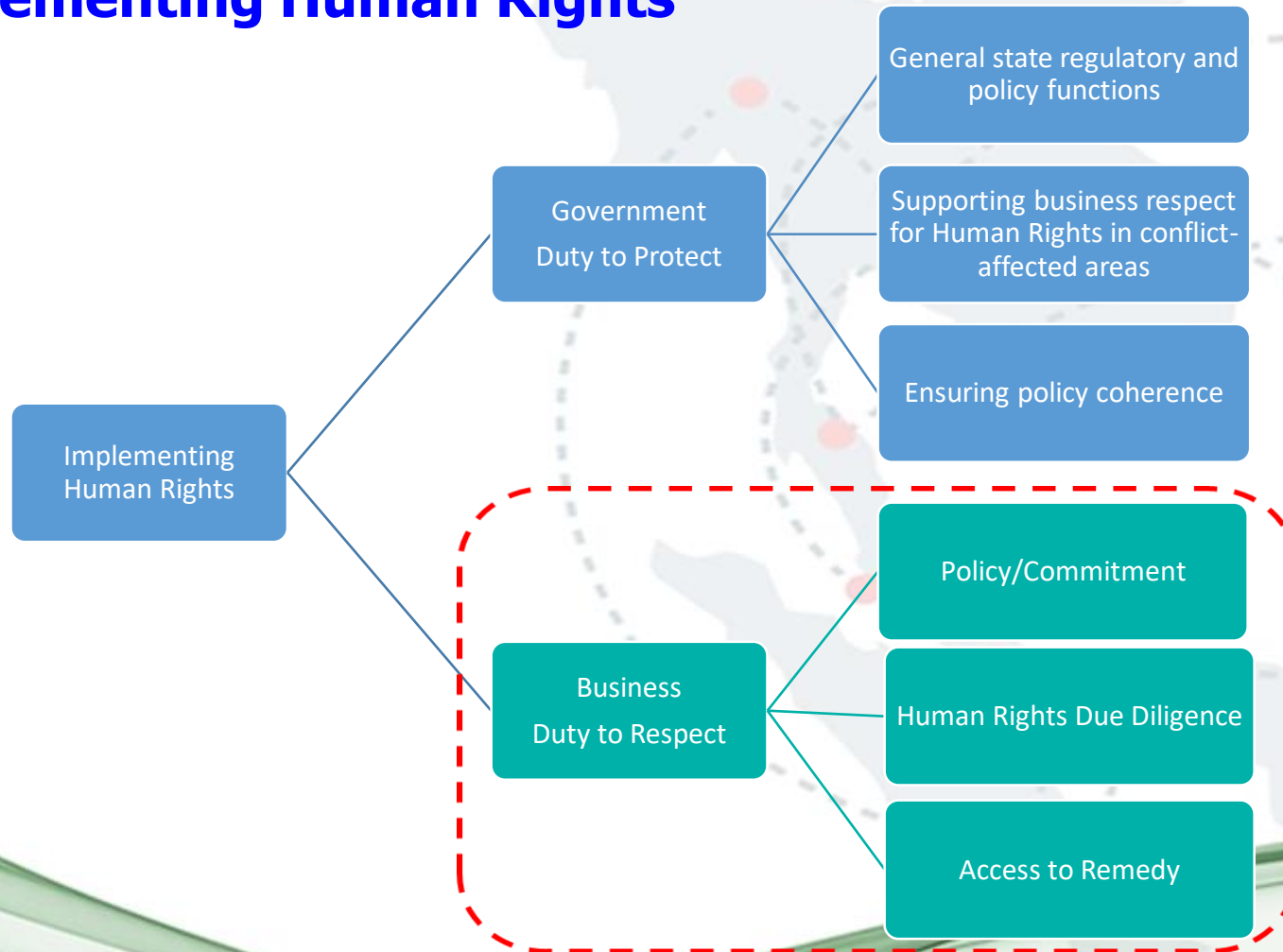
Presentation Outline

- ❑ Overview of Human Rights Implementation in Supply Chain
- ❑ PETRONAS Contractors Code of Conduct on Human Rights (CoCHR)
- ❑ Human Rights in PETRONAS Contractors HSE Management Process
- ❑ Key Success Factors & Challenges
- ❑ Conclusion
- ❑ References





A Company's Role Differs from the Government's in Implementing Human Rights



Reference:
United Nations Guiding Principles on Business and Human Rights





Human Rights Elements Applicable to PETRONAS





Overview of Human Rights Implementation in Supply Chain



- Launch of PETRONAS Human Rights Commitment



Human Rights Commitment

PETRONAS is committed to respecting internationally recognised human rights in areas of its operations, complying with its Code of Conduct and Business Ethics, and all relevant legal requirements.

- Engagement sessions conducted for Procurement fraternity

- PETRONAS Contractors Code of Conduct on Human Rights (CoCHR)
- Human rights article incorporated in General Terms & Conditions
- Engagement with 1,400 contractors

- Compliance assessment CoCHR on selected contractors
- Inclusion of human rights in contractors HSE management process





PETRONAS Contractors Code of Conduct on Human Rights (CoCHR)

Human rights article on compliance to the PETRONAS CoCHR was included in contract General Terms and Condition (GTC). The article includes a clause for PETRONAS to terminate a contract in the event that a contractor fails to comply with CoCHR.

CoCHR requires the Contractors to:

- ❖ **Respect** internationally-recognised human rights, complying with PETRONAS' Code of Conduct and Business Ethics (CoBE) and all relevant legal requirements.
- ❖ Ensure **policies and guidelines** are in place to demonstrate its respect for human rights.
- ❖ Provide **human rights awareness** training to its employees and contract personnel.
- ❖ Establish a **grievance mechanism** for their employees, contract personnel and any party involved in providing services to PETRONAS.
- ❖ Provide **timely feedback** to PETRONAS regarding the contractor's human rights performance within the duration of the contract.





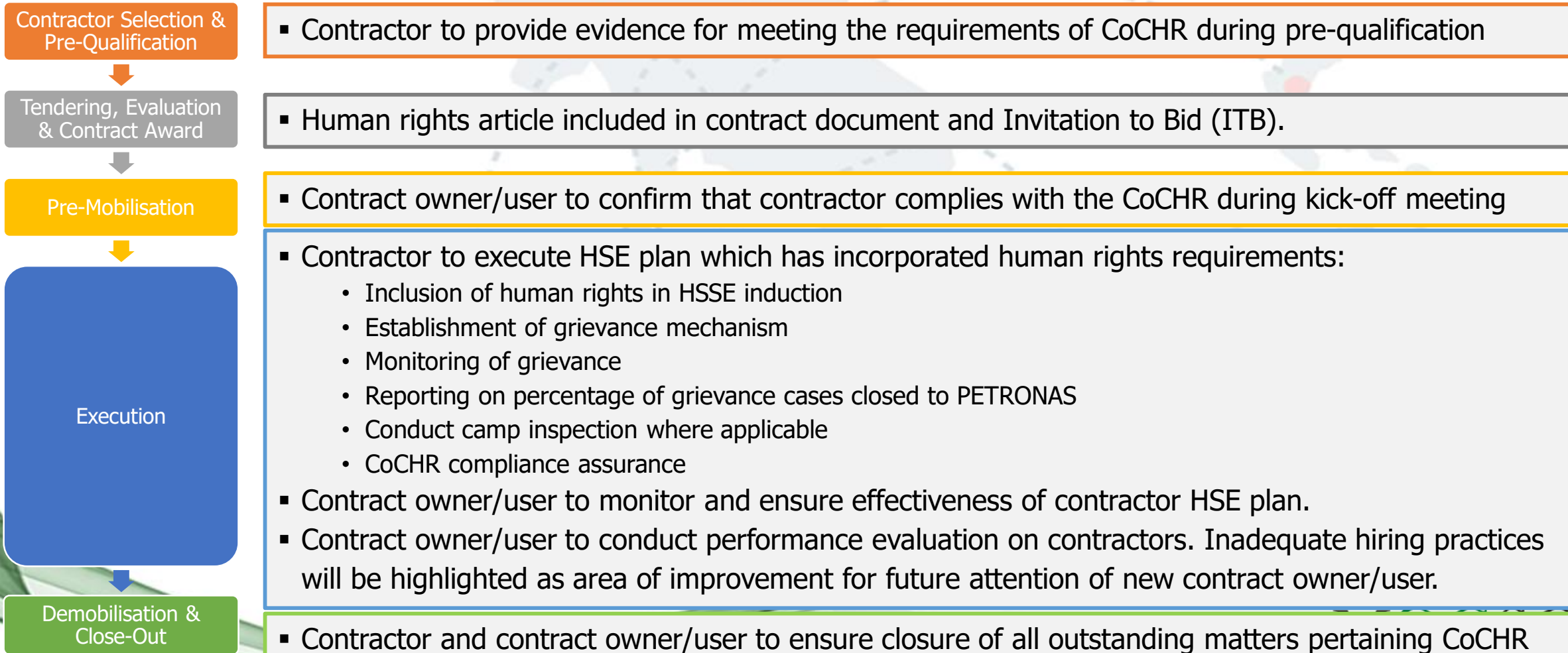
PETRONAS Contractors Code of Conduct on Human Rights (CoCHR)

The Nine (9) Principles in CoCHR





Human Rights Requirements in PETRONAS Contractor HSE Management Process



Key Success Factors

Leadership & Commitment

Embedding human rights
in established
HSE-Management System

Effective planning
and collaboration



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Conclusion

- Managing human rights is crucial to sustain the Company's long term growth
- Collaboration between Company and Contractors is the key to success
 - Generate good practices
 - Meet growing stakeholder expectation

References

United Nations. (2011). *Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework*. New York and Geneva: UN

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PETRONAS Contractor HSE Management Standard (Revision: 2018)

PETRONAS (Petroleum Nasional Berhad). (2018). *Sustainability Report 2017 – Moving Forward Together*. Kuala Lumpur: PETRONAS

PETRONAS (Petroleum Nasional Berhad). (2017). *Sustainability Report 2016 – Building Strength through Adversities*. Kuala Lumpur: PETRONAS



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Thank you for your attention.

Questions & Answer

