

Positive Social Impact

Employee Well-being

Why Is It Important?

Our people are our most valuable asset and their well-being is our priority. As we recognise that a healthy work-life balance is essential for our employees' productivity and job satisfaction, we encourage flexible work arrangements, provide access to wellness programmes and offer a range of other initiatives to promote employee well-being. By investing in our employees, we promote a more motivated and engaged workforce that is better equipped to contribute to our business success.

In addition to promoting employee well-being, we are also committed to promoting diversity and inclusion in our workplace. We believe that embracing diversity brings new perspectives, fresh ideas and a wealth of talent to our organisation. This allows us to tap into a wider pool of talent, foster innovation and improve decision-making. Our commitment to create an inclusive work environment where everyone feels valued, respected and supported will contribute to wider positive societal impact, and is also a key driver to our progress. A diverse and inclusive workplace is essential for creating value and driving sustainable growth.

What Is Our Approach?

We take the time to understand the unique needs of our employees and introduce relevant programmes anchored on PETRONAS Cultural Beliefs and Shared Values to create an environment where they can thrive and help us achieve our strategic priorities.

We believe that connecting with peers both within and outside their scope of work allows employees to nurture their professional and personal interests. We encourage participation in various clubs, company-wide initiatives and volunteering activities that contribute to a positive workplace culture — instilling a sense of belonging, safety, passion and purpose over the long term.

Our commitment to diversity and inclusion is guided by the PETRONAS Diversity and Inclusion (D&I) programmes, focusing on four key areas: gender, multinational, age and culture. Meanwhile, our Wellness Steering Committee oversees employee health and well-being, including mental health.

PETRONAS also has processes and controls in place to ensure we comply with applicable wage laws. We conducted market analysis to ensure competitive compensation. In Malaysia, compensation is on average, 20 per cent above minimum wage thresholds.

Value Creation in 2022

Empowering People through Flexibility

Flexible Working Arrangement (FlexiWork)

We introduced FlexiWork to allow our people to balance between their professional and personal commitments, ultimately being their best selves while delivering for the organisation. We put in place safety measures to ensure a smooth back-to-office transition for our employees post COVID-19 pandemic. We reinforced awareness on the existing FlexiHours and FlexiWear that complement the current FlexiWork Arrangement.

We also established the PETRONAS Work Hub to enable employees who work either from home or the office to access information on best practices, digital tools and available support to help them sustain and where necessary improve their productivity levels. Consistent communication was also carried out on COVID-19 Standard Operating Procedures (SOPs) to ensure the safety of our employees and those that they encountered, at work and at home.

Caring for Our People's Support System

Employee Assistance Programme (EAP)

The EAP named myFriends was launched together with our MESTIFit4Health wellness programme in 2017 as part of PETRONAS' effort to care for the welfare of our people by providing psychological interventions to build personal resilience, reduce emotional distress and destigmatise mental health issues. In 2021, Enhanced EAP or EAP 2.0 was introduced, integrating our EAP with advances in psychology and coaching programmes via a digital platform accessible all day with comprehensive multidisciplinary support by digital physical and mental health care provider, Naluri Hidup Sdn Bhd to employees and sponsored students globally.

We extended the EAP 2.0 in 2022 to family members to help them cope with their mental well-being as an important measure to support our employees' overall health and performance.

- **282** employees received counselling with a total of 954 hours, a **15** per cent increase from 2021.
- **70** per cent of employees who received counselling reported the therapy to have been effective.
- Digital coaching increased by **119** per cent from **533** individual sessions in 2021 to **1,166** individual sessions in 2022.
- Number of callers to the EAP Careline dropped **14** per cent to **700** from the previous year's **811**.

Creating an Inclusive Culture

We remain focused on creating an intentionally inclusive culture. We do this by reinforcing the right behaviours and mindset to sustain an environment that will help us progress and accelerate our ability to deliver on our commitments. Our talent composition in 2022 comprised of 29 per cent women, which was an improvement from 28 per cent in 2021. We employ over 100 nationalities and 40 per cent of our total population is aged 35 years and below.

Driving Diversity and Inclusion (D&I)

Diverse ideas, views and backgrounds create a more progressive work environment which in turn delivers better outcomes. In creating an intentionally inclusive culture, we drive change through leadership and governance, communication, education and culture.

1 Leadership and Governance

The Board of Directors approved our baseline and targets as we work towards more focused efforts on D&I. We are governed by requirements in areas where we operate and aim to seek and nurture local talents for senior management roles across the Group.

We collaborate through reputable associations and organisations, such as the International Association of Oil & Gas Producers (IOGP), World Business Council for Sustainable Development (WBCSD) and the World Economic Forum (WEF) to network and benchmark global practices of Diversity, Equity and Inclusion (DEI). In 2022, our Senior Vice President of Group Human Resource Management was assigned the role of Commissioner in the Business Commission to Tackle Inequality (BCTI) by WBCSD.

In ensuring diversity of thought at all levels, myTalentX was introduced in 2022 as a digital platform to identify potential leaders through a process of transparent and effective succession planning.

2 Communication

Strategic conversations with the Board were held on the topic of 'Equity'. The conversations covered the foundation and fundamentals of Diversity, Equity and Inclusion (DEI), leading best practices, priorities and commitment going forward on the matter. The Board were also updated on PETRONAS' progress and efforts towards D&I.

3 Education

The Conscious Inclusion Programme was rolled out to raise awareness on the importance of D&I to PETRONAS. We conducted engagement sessions with the Board and upskilled and trained more than 250 PETRONAS leaders groupwide.

We launched e-Learning modules on Inclusive Mindset for middle managers and executives which were attended by 278 participants.



4 Culture

In strengthening a culture of D&I, we rolled out the D&I module via the PETRONAS e-Survey to encourage employees to speak up on the topic. We conducted a forum on building an inclusive workforce featuring internal and external speakers. It was attended by 1,600 employees virtually and in-person.

We introduced myCareerX, an integrated HR platform that enables employees to take charge of their own career journey. The platform promotes transparency within the organisation and gives employees equal opportunities to explore other roles available across PETRONAS. This allows for a more diverse and inclusive talent pool as we work towards developing the workforce of the future.