



PETRONAS

OVERVIEW OF PETRONAS IN MYANMAR

PETRONAS has been operating in Myanmar for more than 20 years. It first ventured into Myanmar in 1990 for Yetagun offshore blocks M12, M13 and M14. It took over the operatorship of Yetagun with 40.91% interest in September 2003. Its partners include Myanma Oil and Gas Enterprise - an enterprise formed by the Government of Myanmar, PTTEP International Limited from Thailand and Nippon Oil Exploration from Japan.

PETRONAS' first two onshore blocks, RSF2 and RSF3 were signed in April 2012 and an addition of 2 onshore blocks IOR5 and IOR7 were also awarded to PETRONAS in September 2014. PETRONAS owns 87.25% interests in RSF2 & RSF3 and 87.25% in IOR5 and IOR7. The remaining interests for these onshore blocks are held by a local Myanmar exploration and production company, UNOG Pte Ltd.

PETRONAS continues to seek opportunities to expand and add value to its operations in Myanmar via acquisition of new ventures and pursuing collaboration with other oil and gas players.

PETRONAS also established a **Corporate Sustainability Council** to track projects and operations to consistently improve performance in areas outlined by its corporate sustainability framework. The concept of sustainability is part of PETRONAS' business philosophy as it contribute towards the wellbeing of people and nations by responsibly adding value to petroleum resources wherever we operate.

As part of its corporate sustainability framework, PETRONAS safeguards human rights within its sphere of influence, contributing to community needs, investing in training, education, promoting arts and sports and conducting business in a transparent manner. PETRONAS operates in accordance to international human rights conventions, as sanctioned by the Malaysian Government. It supports internationally recognized fundamental worker rights which, among others, include collective bargaining as well as prohibitions on forced labour and child labour.

PETRONAS adheres to stringent international Health, Safety and Environment (HSE) standards and zero tolerance rules. It is also committed to providing a safe and healthy workplace for all employees working at its facilities and minimizing the impact of its operations on the environment.



Currently, **more than 600 local employees** are employed by PETRONAS in Myanmar and they are based at the Yangon office and its onshore and offshore operations. All contractors, sub-contractors, consultants, agents, representatives and others performing work or services for or on behalf of PETRONAS group of companies will comply with the **Code of Conduct and Business Ethics (CoBE)**. Unlawful discrimination in the workplace or on the job are not tolerated and employees are expected to comply with laws in their local jurisdiction that prohibit workplace discrimination.

In line with PETRONAS' commitment for sustainable development in all areas of its operations, PETRONAS has initiated various educational, social, health, environmental and community projects in Myanmar. These initiatives include the **Yetagun Socio-Economic Programme**; working with disadvantaged communities living along the pipeline area in Kanbauk and also in Yangon, the programme focuses mainly on **education, nutrition and primary healthcare, especially for children in primary schools**.

Under this programme, **Resource Learning Centres and home-based Early Childhood Care and Development (ECCD)** centres were built to provide education to support the development of children during their early years of childhood, giving them the opportunity to grow up healthy and safe. Through the establishment of 30 learning centres and four home based ECCD centres, more than 5000 young children have benefited. The centre also conducts reproductive health awareness programmes to help local communities improve pre-natal and delivery care, and to prevent HIV/AIDS.

Apart from this PETRONAS has participated in **sustainability development programmes** in various parts of Myanmar, especially in Dawei and Kanbauk in Taninthayi. These include awareness campaign and forest preservation efforts initiated in 2013 to enhance the ecological balance of the Taninthayi forest, including the planting of 250 endemic species trees at surrounding areas in Kanbauk.

This **reforestation campaign** in Myanmar is aimed to improve water levels of the Hlawgar Lake (located in the Hlawgar National Park) which serves as the main source of water for Yangon city's population of 7 million people. PETRONAS has also embarked on road upgrade initiatives at Kanbauk and Ownbingwin village roads benefitting more than 50,000 people from over 40 villages.

PETRONAS places importance on balancing business objectives with societal needs and concerns at countries in which it operates. It is one of PETRONAS' utmost priority in terms of respecting the rights of individuals and communities and mitigate the impact of its operations on their way of life and livelihoods.

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